House Energy and Commerce Committee Holds Hearing on Health Care Law Enrollment

[LIST OF PANEL MEMBERS AND WITNESSES](#)

UPTON:

Good morning.

First off, I'd like to note our -- to our Florida colleagues who are unable to be with us. Sadly, they're attending the funeral of our late colleague, former Appropriation chair, Bill Young. He was certainly a friend to all here and a mentor to so many of us on both sides of the aisle.

He's gonna be deeply missed, and particularly in his legacy as the establishment of the bone marrow registry, something that literally will save tens of thousands, if not more, of lives. And we appreciate that -- that work.

Today, the Energy and Commerce Committee continues our ongoing oversight of the health care law, as we examine the many problems, crashes, glitches, system failures that have defined open enrollment.

Over the past several months leading up to the October 1st launch, top administration officials and lead contractors appeared before this committee, looked us in the eye, and assured us repeatedly that everything was on track. Except that it wasn't, as we now know too well.

So, why did they assure us that the Web site would work? Did they not know or did they not disclose? That's what we're looking to find out with the contractors today and with Secretary Sebelius next week.

The companies that are here all testified before the Health Subcommittee on September 10th about their work building the federal exchanges and healthcare.gov.

And in that hearing and in briefings with committee staff, these companies represented that the exchanges would be ready for open enrollment on October 1st. They also explained that their testing of the system had not identified any significant problems.

This is not about blame. It's about accountability, transparency, and fairness for the American public.

The broken promises are many. The president promised Americans that they could keep their health plan if they liked them, no matter what. Yet, here we are, 24 days into open enrollment, and more people are receiving cancellation notices in just 2 states than the 476,000 Americans that the administration boosts have become -- have begun applying in the entire country. This is a troubling fact, but we still don't know the real picture, as the administration appears allergic to transparency, and continues to withhold enrollment figures.

This is more than a Web site problem. And, frankly, the Web site should have been the easy part.

I'm also concerned about what happens next. Will enrollment glitches become provider payment glitches? Will patients show up at their doctor's office or hospital to be told that maybe they aren't covered or even in the system?

In a few months, families in Michigan and across the country are gonna face penalties under the law's individual mandate.

How can the administration punish innocent Americans by forcing them to buy from a system that does not work and whose rollout has been nothing short of a disaster?

The American public deserves answers. Today, we're gonna get them from the lead contractors. Next week will be Secretary Sebelius' turn.

UPTON:

I now yield two minutes to the vice chair of the committee, the -- Ms. Blackburn.

BLACKBURN:

Thank you, Mr. Chairman. I want to thank our witnesses for being here. We are looking forward to getting your perspective of what went wrong and how it went wrong with this rollout.

We were repeatedly told by members of the administration that everything would be working properly and it would all be done on time. But these faults, administration assurance has seen to sway some people on the other side of the aisle, and they believed fully that things were going to be done on time.

Well, yesterday, Mr. Waxman and I were agreeing on some things in a hearing, but last month, we were disagreeing. And he had said that nothing could be found from our committee's investigation of exchange, implementation and readiness.

But we were quite concerned. That definition of nothing has turned out to be design choices in the exchanges that hide unaffordable premiums, massive glitches, dead ends, error messages, system breakdowns and Americans spending countless hours trying to navigate exchanges not ready for prime time.

So, I hope all of our colleagues are going to work together and join the efforts to do proper oversight of the health care law. This is taxpayer money on the line.

We need to be judicious. And the past three weeks of exchange messiness have demonstrated that nobody can be a blind cheerleader for the Affordable Care Act when they see all these problems right before their very eyes.

At this time, I yield. Is the gentleman from Texas, Mr. Barton? I will yield back to the chairman.

UPTON:

Gentlelady yields back.

The chair would recognize for an opening statement, my colleague the ranking member of the full committee, Mr. Waxman from California.

WAXMAN:

Thank you very much, Mr. Chairman.

The Affordable Care Act is an enormous success with one obvious exception -- it has a poorly designed website.

The law has already accomplished a lot. Millions of Americans, especially seniors, have saved hundreds of dollars on prescription drugs.

Young people have gotten health insurance coverage. Millions of families have received rebates from their insurance companies that use more than 20 percent for their overhead costs.

Preventive care is now a free benefit in Medicare and private insurance. Every day, we hear more stories of people saving thousands of dollars and finally getting the security of quality health insurance.

What hasn't happened and was has not been successful is the early performance of the website. And that has caused understandable frustration and anxiety as Americans have tried to sign up for the coverage.

The heart of the law is getting insurance coverage -- private insurance coverage that others have that work for large employers like the federal government.

Democrats want healthcare.gov -- .gov to work. And we want to know what is wrong with the website and how we can help fix it. We want to learn the contractors can tell us about the problems and how they can be addressed.

That's what all my colleagues should want, including my Republican colleagues. But that has not been their agenda so far.

We have already documented a record of Republicans attempting to sabotage the Affordable Care Act, which they know would result in denying coverage to millions of uninsured Americans who cannot find insurance under the market system that excludes them if they have preexisting medical conditions or if they can't afford their coverage.

From voting more than 40 times to repeal the law, from intimidating organizations that have tried to help the law succeed, Republicans have encouraged their governors to obstruct implementation -- deny Medicare coverage, even though a hundred percent is being paid for by the federal government.

And even by shutting down the government in order to try to repeal this law. Republicans have not shown us that they are trying to make this law work so far.

But we all want answers, because we want families to have affordable health insurance. We have already seen extraordinary demand for this coverage being offered through the exchanges.

One of the reasons we were given that the website didn't work is that it crashed when so many people were trying to access it. We know that people want to shop and have a choice between different health insurance

plans that are being offered to them and have already been lined up to offer them private health insurance.

We're encouraging our constituents to use other means of signing up, in the meantime, like call centers and written applications, while the website problems are being fixed.

We're pressing the administration to redouble their efforts to fix the website. And we welcome yesterday's announcement giving Americans more time to sign up for the insurance.

Everyone has a responsibility to get health insurance. We expect people to observe that responsibility. But I cannot see that anyone's going to be penalized under the law if they have not been able to buy health insurance during this time where they have not had access to the exchanges.

We need to start listening to our people who sent us the Congress. They don't want the government shut down. They don't want Congress to drive the country to the brink of default.

The want this law to work. But they do want us to make sure that we hold everybody accountable and insist that the law and the promise of affordable health care become a reality for all Americans, and that means we've got to get this website fixed.

And that's why I'm pleased we're going to hear from the four contractors today and next week from the secretary. If we want this law to work, we've got to make it right, we've got to fix it; not what the Republicans have been trying to do -- nix it and repeal it.

Thank you, Mr. Chairman. I yield back my time.

UPTON:

The chair would recognize for an opening statement the chairman of the Oversight Subcommittee, Dr. Murphy.

MURPHY:

Thank you, Mr. Chairman.

As chairman of the Oversight Investigations Committee, I've heard numerous promises from the administration officials that all was well with the health care law -- not true.

Either these officials were shockingly unaware of what was happening inside their own agencies or deliberately misleading our committee and the public, hoping this would all suddenly turn around.

Two weeks before enrollment began, HHS' insurance czar told us that consumers could go online, shop and enroll on October 1st -- not true.

We were promised a website where people could easily compare plans and costs. Five hundred million dollars later, we find the American public have been dumped with the ultimate cash for clunkers, except they had to pay the cash and still got the clunker.

Secretary Sebelius has admitted HHS didn't do enough testing. But was her agency warned ahead of time that this was an issue?

Were the contractors able to work with each other and complete and end testing? In testimony today, QSSI states that the late decision requiring consumers to register for an account before they could browse for insurance products was a major contributor to the website's October 1 crash and burn.

Who made this major decision just before launch, and were they trying to hide from the public the true cost (ph)? Now the president is committing untold amounts of money for an undisclosed plan spearheaded by an individual without technology experience to fix this huge problem.

But if 55 different contractors couldn't successfully build, test and run a website, how do we expect anyone else to be able to do this?

Given all these questions, Congress should press pause on the tax surge (ph) and figure out what went wrong first before throwing good money after bad and forcing the public to use the broken site.

In addition to explaining why this disaster happened, we want an explanation on how this system will be fixed, what it will cost, how long it will take.

After footing the bill, the American people deserve something that works or start over. Take responsibility, tell us what's wrong, fix it or try something else.

I yield back.

UPTON:

Yields -- yield to Mr. Joe Pitts.

PITTS:

Thank you, Mr. Chairman.

HHS officials repeatedly assured this committee that the administration would be ready for October 1st, 2013. This past July, the secretary stated that HHS would, quote, "flip on the switch on October 1st and say to people, 'Come on and sign up,'" end quote.

On August 1st, Administrator Tavenner told us in this very room that CMS would finish all end -- end testing by the end of August.

On September 10th, the Health Subcommittee held a hearing at which representatives for CGI Federal, QSSI, Equifax and Serco, all of whom are here today, testified. Each contractor assured us that its components of the exchange would be ready on time.

And yet, when the exchanges opened for business on October 1st, it was nothing less than an unmitigated disaster. We're now hearing reports that the administration was repeatedly warned that the site was not ready for an October 1st launch. The Washington Post Tuesday that, "As late as September 26, there had been no test to determine whether a consumer could complete the process from beginning to end," end quote.

Secretary Sebelius said just this week that almost no testing occurred.

These past few weeks of exchange dysfunction, along with stories of hundreds of thousands of Americans losing their existing health plans, help underscore why Washington should not be running our private health insurance system.

The botched rollout is all the more reason that the individual mandate penalty should be delayed. Average Americans deserve a waiver from Obamacare, too. It's only fair when the exchanges are such a mess.

The companies represented today were in charge of building the federal exchange. But CMS was responsible for ensuring that everything worked together properly.

So the question we have to ask ourselves is, in light of all of the administration's assurances, is this -- are they simply incompetent or were they just lying to the American people?

I yield back.

I yield back.

UPTON:

You yield to Mr. Barton.

PITTS:

Mr. Barton?

BARTON:

Thank you. I have slide one I'd like to put up. Like all of Obamacare, what it appears on the surface is not what it is.

This is the terms and conditions that you're -- that you accept that some point early in the process. And that looks pretty plain Jane.

Now, put slide number two. What you don't see is this slide, which says you have no reasonable expectation of privacy regarding any communication or data transiting or stored on this information system. At any time and for any lawful government purpose, the government may monitor, intercept, search, and seize any communication or data transiting or stored on this information system. Any communication or data transiting or stored on this information system may be disclosed or used for lawful government purposes.

That's -- that's Obamacare in a nutshell. It says one thing on the surface, does something totally different behind the scenes.

In my questions, I'm gonna ask the contractors about this total lack of privacy and what they knew about it.

With that, I yield back.

UPTON:

The gentleman yields back.

The chair would recognize the ranking member of the Health Subcommittee, Mr. Pallone, from New Jersey.

PALLONE:

Thank you, Mr. Chairman.

I just heard my -- chairman of the subcommittee, the Health Subcommittee, say once again he wants to delay the Affordable Care Act. And I have great respect for the gentleman from Pennsylvania. But, you know, here we go again, another cynical effort by the Republicans to delay, defund, or ultimately repeal the Affordable Care Act.

I'd like to think that somehow this hearing is above board and legitimate, but it's not. You know, the Republicans don't have clean hands coming here. Their effort, obviously, isn't to make this better, but to use the Web site and the glitches as an excuse to defund or repeal Obamacare.

And I just think it's very unfortunate. Because there are millions of people out there who have been trying to go on this Web site, I understand like 20 million. And they deserve an opportunity, once this is fixed, and I know the administration is trying very hard to fix it as are all of our witnesses here today. They deserve an opportunity to have health care, and not be among those 30 million or 40 million who are uninsured, or even more so that don't have a good benefit package.

I would just ask my Republicans. Let's the goal be to fix it, not nix it.

And if that were your goal, I'd feel very good about this hearing. But I don't see that happening.

One of the things I wanted to bring attention is how Democrats take a different approach to things. When Medicare Part D started up, and I have this chart here, there were all kinds of problems with the -- with the Web site. It went on for months, These are some of the headlines that appeared in the newspapers about the problems.

But did the Democrats get up and say, "Oh, Medicare Part D is terrible. Let's repeal it or defund it?"

No. We said, "Let's work hard to make it better." And that's what we did. And the glitches disappeared, and the program became a good program.

And that's what I'd like to see my Republican colleagues do today.

But it's not the case. Time and time again, the GOP has tried to slow the progress of implementing the ACA. They were willing to shut down the government down for three weeks. Did we forget what was happening the last three weeks, when they tried to shut down -- well, they did shut down the government three weeks, and the -- and the reason was because they wanted us to defund or make changes or delay the Affordable Care Act.

I hear my Republican colleagues talking about that they care about money, whether it's federal dollars or individual dollars. The information that's come out now says that the government or the -- or the -- or the gross national product lost $24 billion during the three-week shutdown. A half percent (ph) of the gross national product for the last quarter.

You're talking about money. You don't care.

What about all the money you lost in the three weeks? That didn't matter, just because you wanted to delay the Affordable Care Act? Again, there's no clean hands here, my colleagues. Do you really care? I don't think so.

I just wish that you would stop the destruction, work with us on trying to make this a better system. And, as the -- as my colleague, as Mr. Waxman said, this can be fixed if you'll work with us.

I yield now to the gentlewoman from Colorado, Ms. DeGette.

DEGETTE:

Thank you very much, Mr. Pallone.

As we've heard, we're here today to find out what the problem is with the healthcare.gov Web site and how we can fix these multiple technical problems.

Last month, as the chairman noted, we heard from CGI, QSSI, Serco and Equifax, the same four contractors who are here today. They told us that the Web site would work. We even asked them point blank. Mr. Pallone asked them. And I asked them.

They told us that HHS was doing an excellent job of testing the product. They said there was nothing wrong, and they expressed nothing but optimism.

And so, three weeks later, here we are. We're still hearing reports of significant problems.

Now, I appreciate all of the contractors coming today. I give them the benefit of the doubt when they say things are improving.

But I want to stress, for the Affordable Care Act to work, these problems need to be fixed and these problems need to be fixed fast.

We need to hear today exactly what they're doing to fix these issues and we need to hear -- we need to see clear examples of improvement and be provided with a timeline for how it will be fully optional (sic).

Mr. Chairman, this is not our first experience with introductions of new health care programs, as Mr. Pallone said. I was on this committee in 2006 when Medicare Part D was implemented during the Bush administration.

Let's not forget what a mess it was and the significant problems seniors had with registering for the new benefits.

But I also want to remind my colleagues on both sides of the aisle that the difficulties passed and were soon forgotten amid the success of Part D.

And so, I really take the -- the gestures on the other side of the aisle seriously. And I hope that we can say that we've worked together to ensure the success of healthcare.gov.

Now, there's something else I remember from the introduction of the Part D benefit, Mr. Chairman. Every single one of us, whether or not we voted yea or nay for the law, worked together for our success.

I found the newsletter that I sent out to my constituents after Medicare Part D in which I said I oppose the law that created this program but people need to be armed with the information requested. And I would urge everybody on both sides of the aisle to do that.

So my hope, Mr. Chairman, is that today marks the beginning of an effort on the majority's part to make sure that the health care law works and is successful and Americans can enjoy the benefits.

I really think that it's important to make that happen. And I'm so happy -- I'm so happy, and touched, really, today, to hear the majority express these concerns about making the ACA work better.

And I really hope that they're legitimate in it. Because this is what's going to give insurance to millions of Americans who have gone without health care for many, many years because they couldn't afford the program.

And, with that, I yield to the chairman emeritus of the full committee, Mr. Dingell.

DINGELL:

I thank the gentlewoman for yielding to me.

This is a wonderful opportunity for us to make the Affordable Care Act work. I remind my colleagues, the last perfect law came off the top of Mount Sinai with (inaudible) written on a stone tablet by the hand of God.

Note, nothing so good has happened since. I urge us to use our best efforts then to see to it that this new law goes into effect and works, and that we carry out our responsibility to the American people, to see to it that we do everything that we can to support and defend the Constitution, the laws of the United States.

I've heard some unfortunate things on the other side. They said, "We have to do everything in our power to affect (ph) Obamacare. Obamacare, get rid of it, period."

All of a sudden, now our friends on the other side had forgotten that. Well I hope they'll continue to forget it, because we have a chance to see to it that the American people get health care as a matter of right, not as a matter of financial privilege.

I am very frustrated, at least as frustrated as anybody else in this room about the problem facing healthcare.gov. This is unacceptable, it needs to be fixed. And we can, if we are willing to work together, do something to see to it that in fact is fixed and that it helps all of the American people.

Now, slow website is better than the alternative. And where health care is privileged only for the few, it doesn't seem to matter. But if it's for everybody, we have to address that question and see to it that we take care of all our people.

I look forward to exploring how the website can be fixed in this hearing today. I look forward to working with my Republican colleagues and my Democratic colleagues to see that we do a constructive job of making this new law work.

I remind all that when we -- we're dealing with Medicare Part D, which was not something that was originated on this side of the aisle, we worked together to see to it that in fact it worked.

And now it is an accepted and acceptable conclusion to a significant problem, which by the way, is improved by Affordable Care Act.

Mr. Chairman, I thank you for your courtesy, I thank the gentlelady for yielding to me. And I hope that we can work constructively on this matter today, it's a great opportunity.

UPTON:

The gentleman from the great state of Michigan's time has expired.

At this point, I'd like to introduce the witnesses for today's hearing.

Our first witness is Cheryl Campbell, she is the senior V.P. for CGI's Federal Health and Compliance Programs and Defense Agency Programs. She was appointed to this position in 2009, and in this capacity she is the driver of strategy and execution for the practice to serve the needs of providers, government and public.

Our second witness is Andrew Slavitt, he is the group executive V.P. for Optum QSSI. And in this capacity, he is responsible for business strategy, public policy, corporate investment, research and development, acquisitions in corporate governance.

Prior to this role, he has served in other roles at United Health Group and was founder and CEO of Health Allies (ph), which was acquired by United Health Group in 2003.

Our third witness is Lynn Spellecy. She serves as the corporate Counsel for Equifax Workforce Solutions. In this role, her responsibilities include advising the business on matters related to contracts, products, regulatory issues and client relationships. She also works with sales leaders and internal contract staff and the broader legal department to manage workforce solutions, related issues related to litigation, human resources, government affairs and regulatory (inaudible).

Our last witness is John Lau, he is the program director at Serco, he is responsible for overseeing eligibility and enrollment support services, specializing in implementation and management of large scale health and human services programs in the U.S., including Medicaid, CHIP and TANF.

His experience includes initial implementation and start-up, risk identification and issue resolution, using a commercial government's -- governance system, security and privacy in the design implementation and management of multi-million transaction, health care documents and transaction processing systems, including Californians S-CHIP and Texas eligibility system for Medicaid, CHIP and TANF.

So at this point I will now swear in the witnesses. You are aware that the committee is holding an investigative hearing and when doing so, has had the practice of take -- taking testimony under oath. Do any of you have objection to testifying under oath?

Seeing none, the chair then advises you that under the rules of the House, and the rules of the committee, you are entitled to be advised by counsel. You desire to be advised by counsel during your testimony today?

Seeing none, in that case, if you would please rise and raise our right hand, I will swear you in.

Do you swear that the testimony you are about to give is the truth, the whole truth and nothing but the truth?

Thank you. You are now under oath and subject to the penalties set forth in Title 18, Section 1,001 of the U.S. Code. You are now able to give a five-minute summary of your written statement.

And Ms. Campbell, we'll start with you. Welcome.

CAMPBELL:

Chairman Upton, Ranking Member Waxman, members of the committee, thank you for the opportunity to appear today.

My name is Cheryl Campbell, and I'm a senior vice President at CGI Federal. I have responsibility for all of CGI Federal's projects of the Department of Health and Human Services and several other federal agencies.

I'm here today to reinforce CGI Federal's ongoing commitment to the success of the federal exchange on healthcare.gov. Let me state, unequivocally, that CGI Federal is fully committed to its partnership with CMS. Our priority is for Americans to have a positive experience in applying, shopping and enrolling on the federal exchange.

To this end, we dedicate the very best experts to optimize our portion of the federal exchange.

For context, let me first describe our role in the federal exchange. The exchange is comprised of six complex systems and involves 55 contractors, including CGI Federal, five government agencies, 36 states and more than 300 insurers, with more than 4,500 insurance plans, all coming together in healthcare.gov.

CMS competitively awarded CGI Federal its portion of the federal exchange, a software application called the Federally Facilitated Marketplace or FFM.

Specifically the FFM provides functionality for eligibility in enrollment, plan management and financial management. CMS serves as the system's integrator, having ultimate responsibility for end-to-end performance of the federal exchange.

It also is important to understand the complexity of CGI Federal's work on the exchange. The FFM is a sophisticated software application that combines a web portal, a transaction processor, and sophisticated business analytics to simultaneously help Americans determine their eligibility for insurance, apply for subsidies, shop for health plans and enroll in qualified plans.

The technology works in realtime with sophisticated analytics systems developed by other contractors, large scale data repositories hosted in disparate federal agency databases and the health plans for more than 300 insurers.

In short, the federal exchange, including the FFM is not a standard consumer website. But rather, a sophisticated integrated technology pat -- platform that for the first time in history, combines the processes of selecting and enrolling in insurance and determining eligibility for government subsidies, all in one place and in realtime.

Since award on September 30th, 2011, CGI Federal has -- CGI Federal has worked diligently to develop the FFM by following a rigorous process that is customary for large I.T. projects. The FFM passed eight required technical reviews before going live on October 1.

While CGI Federal delivered the FFM functionality required, and some consumers were able to enroll on

October 1, we acknowledge that issues arising in the federal exchange, made the enrollment process difficult for too many Americans.

Consequently, CGI Federal's focus shifted immediately to solving consumer access and navigation processes on the exchange. The (ph) first set of issues on the exchange concerned another contractors, Enterprise Identity Management, or EIDM function.

The EIDM allows consumers to create secure accounts and serves as the front door to the federal exchange. Consumers must pass through this front door in order to enter the FFM application.

Unfortunately, the EIDM created a bottleneck, preventing the vast majority of consumers from accessing the FFM. Since then CMS, CGI Federal and other contractors have worked closely together to troubleshoot and solve this front door problem.

CAMPBELL:

As more consumers are gaining access through the FFM and enrolling in qualified plans, the increased number of transactions caused performance problems such as, slow response times and data assurance issues.

CGI Federal is addressing these problems through tuning, optimization, and application improvements.

Over the past two weeks, the federal exchange has steadily improved. We continue to dedicate the resources necessary to shorten wait and transaction times, and improve data quality.

We have confidence in our ability to deliver successfully.

Why?

Because The company I represent here today has successfully delivered some of the most complex I.T.implementations for the U.S. government including federalreporting.gov. We have partnered with CMS on transformative projects like medicare.gov, which has enabled or the 50 million beneficiaries to compare health plans annually. We are widely recognized by independent parties for our expertise in I.T.systems and software and have CMMI level 5 credentials that demonstrate our commitment to rigorous software development processes. And, as part as the fifth largest independent I.T. and business process services company in the world, we leverage deep resources and expertise of a global workforce.

I will end this testimony where I began, by reinforcing CGI Federal's unwavering commitment to working collaboratively with CMS to improve the consumer experience.

Thank you.

UPTON:

Thank you.

Mr. Slavitt?

SLAVITT:

Chairman Upton, Ranking Member Waxman, and members of the committee, good morning.

My name is Andy Slavitt, and I am group executive vice president at Optum, Business Unit of United Health Group. Optum owns QSSI, one of the contractors working on the online health care marketplaces.

Let me begin by saying that, we understand the frustration many people have felt since healthcare.gov was launched. We have been and remain accountable for the performance of our tools and our product.

I'll start by discussing our work on the data services hub, a large and complex project that was the subject of much interest in QSSI's work for the marketplace prior to the launch. Simply put, the data services hub is a pipeline that transfers data, routing queries and responses between a given marketplace and various trusted data sources.

Specifically, a consumer interested in purchasing health insurance goes to the marketplace's web portal to fill out enrollment forms and select a plan. The consumer provides the marketplace with information such as citizenship, which must be verified. The data service hub directs queries from the marketplace to various sources such as government databases that can verify that information and send the information back to the marketplace.

As a technology pipeline, the data services hub does not determine the accuracy of the information it transports, nor is the store data.

The data services hub has performed well since the marketplace has launched. On October 1, the data services hub successfully processed more than 178,000 transactions and it has processed millions more since. When occasional discreet bugs in the data services hub were identified, we promptly corrected them.

In addition to the data services hub, QSSI also developed the EIDM, a registration and access management tools used as one part of the federal marketplace's registration system. The EIDM tool helps the marketplace create user accounts and is being used successfully currently in at least two other CMS applications. It's relevant to note that while the EIDM is important, it is only one piece of the federal marketplace's registration system.

Registration components developed by other vendors handle other critical functions such as user interface, confirmation e-mails to users, the link that users click on to activate their accounts, and the web page users land on.

All of these tools must work together seamlessly to ensure smooth registration. After the launch, healthcare.gov was inundated by many more consumers than anticipated. Many of the critical components developed by these multiple vendors were overwhelmed, including the virtual data center environment, the software, the database system and hardware and our EIDM tool.

Though it appears one of the reasons for the high concurrent volume of the registration system was the late decision requiring consumers to register for an account before they could browse for insurance products. This may have driven higher simultaneous usage of the registration system that would not have otherwise occurred if consumers could window shop anonymously.

In the days after the launch, QSSI worked around the clock to enhance the EIDM tool to meet this unexpected demand, and as I understand it this has largely succeed. By October 8, even at high levels of registration, the EIDM was processing those volumes at error rates close to zero. The EIDM tools continues to keep place with demand and at CMS' request, we are working with other vendors to plan for higher levels of peak activity.

Finally, QSSI was one of several testers used to test the functionality of the federal marketplace. In our testing role, we identified errors in code that was provided to us by others. In this function, we reported back the results to CMS and relevant contractor who in turn was responsible for fixing coding errors or making any necessary changes.

To conclude, the data services hub has performed well. And after initial scalability challenges, the EIDM is now keeping up with demand. We are committed to helping resolve any new challenges that may arise in any way we can. Thank you for the opportunity to discuss QSSI's work. I am happy to answer questions you have.

UPTON:

Thank you.

Ms. Spellecy?

SPELLECY:

Good morning, Chairman Upton, Ranking Member Waxman and distinguished members of the committee.

My name is Lynn Spellecy and I serve as senior director and corporate counsel for Equifax Workforce Solutions. In that role, I am the primary attorney responsible for day to day legal operations of that business unit and I provide guidance, advice and legal support. I appreciate the opportunity today to provide an update related to the income verification services that Equifax is providing CMS to assist them in their benefit eligibility determination requirement under the Affordable Care Act.

The Equifax Workforce Solutions income verification solution is working as designed. Since the exchanges first went live on October 1st, 2013, we have not experienced any problems or interruptions in the processing of data to CMS. We have received and responded to verification requests regarding individual applicants from the federally facilitated marketplace as well as from state based agencies.

Equifax Workforce Solutions tested our verification solution before the October 1st, 2013 open enrollment start date to ensure that we could transmit data between our servers and the federal data hub. We performed end to end testing with the federal hub and considerable internal stress and volume testing to guarantee that we would be prepared for current and future applicant volumes.

Now that the federally facilitated marketplace is open we are monitoring the flow of verification requests from the hub to our services and back. Equifax Workforce Solution's role in the federally facilitated marketplace is limited. Equifax Workforce Solutions receives an income verification request only after an applicant gains successfully gains access to the healthcare.gov or a state based marketplace website, creates a username and establishes a security authentication profile and then enters an online application process.

Equifax does not say a role in any of these steps, nor does Workforce Solutions play a role in identify proofing and authentication. We are neither involved in nor do we have visibility into the eligibility decision process or downstream display and processing of benefit elections.

Although the majority of the verification requests have come through the federally facilitated marketplace, Equifax Workforce Solutions is also verifying income for several state based market places and state Medicaid agencies.

The continuing appropriations act for 2014 included new requirements for the Department of Health and

Human Services to ensure that the federally facilitated and state based marketplaces verify that individuals applying for coverage and seeking premium tax credits are cost sharing reductions are in fact eligible for these subsidies.

Equifax Workforce Solutions looks forward to sharing our expertise in income verification services with CMS at HHS as they develop guidance regarding verification solutions for the federal and state exchanges.

SPELLECY:

Since the October 1st, 2013 date, Equifax Workforce Solutions have exceeded the operating specifications in its contract with CMS to provide income verification services for those seeking financial assistance under the Affordable Care Act.

The extensive experience we've gained from providing income verifications to state and other federal agencies for their eligibility reviews for government subsidies has prepared Equifax Workforce Solutions to successfully serve CMS in this new capacity.

We will continue to monitor and test our interface with the CMS data hub and various state agencies to ensure maximum advocacy.

Thank you for the opportunity to testify and I welcome your questions.

UPTON:

Mr. Lau?

LAU:

Good morning, Mr. Chairman, Congressman Waxman, other distinguished members of the panel...

UPTON:

Yeah, would you -- would you just make sure your mike is set there?

LAU:

Can you hear me now?

UPTON:

Now we can.

LAU:

OK. Good morning, again, Mr. Chairman, Congressman Waxman, other distinguished members of the committee.

My name is John Lau and I represent Serco and I am the program director for our CMS contractor in connection with the ACA. Thank you for the opportunity to again appear and discuss Serco's current status and performance in this program.

For the next several minutes, what I'd like to do is provide a quick review of Serco's role in the program and then the current status of our work.

Serco's contract is to provide eligibility support services in support of the paper application processing as well as error and issue resolution on applications regardless of the mode in which the consumer submitted them.

It's important, I think, to clarify that we have no role in the development of the website. We have no role in the determination of eligibility and we have no role in health plan selection.

I think there have been some confusion about that -- I'd like to make sure that that's clear.

Our primary role, in the early days of this implementation, is to key enter paper applications into the eligibility system. As time goes on, more of our work will entail inconsistency resolution in order to clear previously submitted applications for the eligibility determination process.

Inconsistency resolution entails data verification and validation of the self-attested data from applicants. These are problems identified through the use of the data hub in the main system and then communicated to us.

To date, Serco has successfully opened two of its four processing centers -- those in Kentucky and Arkansas. A third will be opening next week in Missouri and in about four or five weeks, the final site in Oklahoma.

We've had no trouble recruiting and hiring competent staff at any of our areas and have received a number of compliments from local officials and community groups about the professionalism of our recruiting efforts and outstanding ways we've on-boarded and trained our people.

We've instilled a sense of pride in what they're doing and our staff is highly motivated and represent an eager workforce.

Since the launch of the program on October the 1st, we've built upon our starting capacity with both staff numbers and processing efficiency. The volume of paper documents received since program launch has been steadily increasing, and even in a short period, clearly is trending upward.

This buildup has given us the opportunity to make adjustments and improve our processes as the nature of the inbound documents and the work load has become clearer.

To date, we've received about 18,000 documents. About half of those are consumer applications and we've succeeded in key entering about half of those.

The remaining half are generally applications that are missing important data and those cannot be entered directly until those problems are resolved. We expect to be able to complete processing and entering those applications in the near future.

Our challenges have (ph) include coping with the performance of the portal, as that is our means of entering data just as it is for the consumer. With the relatively low volumes of applications we've received thus far, it's not presented a challenge.

As I testified at September 10th, Serco was ready to process on 10-1 and we are processing today. And I very much look forward to your questions. Thank you.

UPTON:

Well, thank each and every one of you. At this point, we'll move to questions from members and alternate between Republicans and Democrats.

I just want to say, as we've seen the taxpayers spend about half a billion dollars that I guess the constituents across the country really expected a user-friendly program -- system.

And whether it's like ordering a pizza, an airline flight, rental car, hotel, it's a standard that many were expecting to see and I think most, at this point, would say it's really not ready for prime time.

Listening to your testimony, each of you, I heard words like performing -- your goal was to perform well; you want a positive experience -- working a (ph) design to try and do that, and that's not want we've heard from folks at home.

So, my first question is was it ever an option to delay going live on October 1st? Did any of you come forth to the administration and say, "This -- this thing may not be ready on October 1st. We might want a delay until we can get it right."

Any hands up? No.

Prior to October 1st, did you know that the healthcare.gov website was going to have crippling problems or did you not know about these problems and chose not to disclose them to the administration when you've figured out that it wasn't working the way that, perhaps, it was designed to work?

And maybe I will get comments from each -- with each of you as it relates to those two questions and start with Ms. Campbell.

CAMPBELL:

Sure.

UPTON:

I mean, you all -- you all testified in September. And so, I mean, either you didn't know about these problems or you knew about them and chose not to disclose them. Which one is it?

CAMPBELL:

So, Chairman, from a CGI perspective, our portion of the application worked as designed. People have been able to enroll. Not at the pace -- not at the experience we would have liked, but the end-to-end testing was the responsibility of CMS.

Our portion of the system is what we testified, in terms of what was ready to go live, but it was not our decision to go live.

UPTON:

It was not your decision to go live?

CAMPBELL:

It was not our -- it was CMS' decision. It was not decision, one way or the other.

UPTON:

Did you ever recommend to CMS that perhaps they weren't ready and they might want to delay the date?

CAMPBELL:

It was not our position to do so.

UPTON:

So you chose not to share that -- those thoughts with them? Is that right?

CAMPBELL:

No, make sure -- let me clarify my statement. CMS had the ultimate decision for a live or go -- or no-go decision -- not CGI. We were not in a position -- we're there to support our client. It is not our position to tell our client whether they should go live or not go live.

UPTON:

So, who at CMS were you sharing that information with -- or those decisions?

CAMPBELL:

So...

UPTON:

Anyone is particular?

CAMPBELL:

Once again, Chairman, it was not -- I did not have nor does CGI have an opinion on a decision for CMS to make on a live or no-go decision.

UPTON:

Do you know who at CMS made the decision to go live?

CAMPBELL:

It's -- it's a body of individuals at CMS.

UPTON:

Mr. -- Mr. Slavitt?

SLAVITT:

Thank you, Mr. Chairman.

So, we had a limited view of the entirety of the project. What I can speak to is we were confident in the ability of the data services hub, which was a very complex component where we spent the bulk of our effort.

We were confident that it would work on October 1st. And, in fact, it has.

Other than that, we had -- all of the concerns that we had, which were mostly related to testing and the inability to get as much testing as we would've liked -- we expressed all of those concerns and risks to CMS throughout the project.

UPTON:

So, you shared that there were real difficulties in the testing with them?

SLAVITT:

All of -- all of the risks that we saw and all of the concerns that we had regarding testing were all shared with CMS.

UPTON:

And what was there response to when you shared some of the -- the pitfalls, in terms of what was going on?

SLAVITT:

My understanding is they understood those and were working on them. But I don't know further.

UPTON:

Did they ever come back with you -- to you, in terms of the shortcomings and what needed to be done -- any concerns that were raised by them?

SLAVITT:

We -- we never -- I never got a -- got a depiction from them, but we did -- we did fully talk about the risks that we saw and we passed those along -- all along the way.

UPTON:

Miss Spellecy?

SPELLECY:

Our solution was ready to go October 1st, 2013. We successfully completed end-to-end testing between Equifax Workforce Solutions and the CMS data hub prior to that date.

So, we did not anticipate any sort of problems with our connection and have not experienced any.

UPTON:

Mr. Lau?

LAU:

We, too, were ready to process on 10/1, had done extensive internal testing of our processees (sic) and systems, and our first awareness of difficulties with the hub was 10/1 -- or the portal, I'm sorry, on 10/1, when we attempted to do key entry.

UPTON:

So you didn't test it prior to October 1?

LAU:

No. No, sir.

UPTON:

Mr. Waxman?

WAXMAN:

Thank you, Mr. Chairman.

As we evaluate the problems with this Web site, I think it's important that we focus on the facts. My Republican colleagues have been predicting that health care reform would be a disaster for three years now, and every time they've been wrong.

They said insurance rates would skyrocket. In fact, they're lower than predicted. They said health care costs would soar. In fact, they've grown at a record low rate.

They said Medicare would be undermined. And, in fact, it's stronger than ever, and seniors are saving billions of dollars on prescription drugs.

So what we need to do is separate the facts for us to reach a determination here.

Some have said that fixing the Web site would take six months to a year. Others have said there are 5 million lines of code to rewrite.

Some have urged Health and Human Services to pull down the entire system and start from scratch.

Ms. Campbell, I hope you can help us put these dire predictions in perspective. Does CGI expect that it will take six months to a year to get the application and enrollment process working smoothly on healthcare.gov.

CAMPBELL:

We do not. We anticipate that the system as -- as we have seen is improving day over day, and that we anticipate that people will be able to enroll in the time frame allotted, that's necessary for them to have insurance, that's for the January 1 time frame.

WAXMAN:

That means what date? Don't they have to have an application in by December 15th to be -- for it to be effective January 1?

CAMPBELL:

That's correct, sir.

WAXMAN:

But you anticipate by that date the system will be working?

CAMPBELL:

The system will continue to improve. From our perspective, as painful as it sounds, I know that the experience has been a difficult experience, the system is working. People are enrolling. But people will be able to enroll at a faster pace. The experience will be improved as they go forward. And people will be able to enroll by the December 15 time frame.

WAXMAN:

Very good.

Does CGI have to rewrite 5 million lines of code to fix the problems we've seen thus far?

CAMPBELL:

No, sir. I can tell you that 300-plus employees that I have back in the office would -- I'm not -- I think they'd all walk out if I told them they had to rewrite that many lines of code.

WAXMAN:

Do you believe it's gonna be necessary to scrap the entire healthcare.gov system and start from scratch?

CAMPBELL:

I do not, sir.

WAXMAN:

So you think the Web site will be fixed in time to assure Americans who want to get coverage for next year that it will be available to them?

CAMPBELL:

I do, sir.

WAXMAN:

OK. Why are you so confident? Can you explain that, that these problems are gonna be fixed in time?

CAMPBELL:

Because, as I said, we're seeing improvements day over day. We're continuing to run queries against our database. We're running -- reviewing system logs. We're fine tuning our servers. We are analyzing the code for anomalies.

And every day we're seeing where we're finding challenges in the system and making those corrections, as you would with any system that goes -- that will go live.

When a system goes into production, these are the things you would typically find after production. Maybe not to the level of detail that's happened in this experience. But when a system -- when a system goes live, these are the things you typically do. You continue to provide system builds and -- and put performance tuning to the application to make sure that it continues to improve time over time.

WAXMAN:

Thank you.

Mr. Slavitt, your company has been deeply involved in troubleshooting and fixing the problems on healthcare.gov. Do you have any reason to believe the problems that are being experienced at this launch will prevent Americans from getting insurance for the coming year?

SLAVITT:

Congressman, I'm confident that the data services hub that QSSI developed and the EIDM registration tool are working well today and will continue to work well.

WAXMAN:

You had problems with your part early on, but you fixed them (inaudible)?

SLAVITT:

For the first seven days, correct.

WAXMAN:

OK. So the problems can be fixed?

SLAVITT:

We doubled the capacity of that registration tool within seven days.

WAXMAN:

Ms. Campbell, did CGI system pass its test before the system went live?

CAMPBELL:

Yes, it did.

WAXMAN:

And, my understanding is that you felt the system was ready to go on October 1, is that right?

CAMPBELL:

That is correct.

WAXMAN:

You -- neither you nor anyone else at the table thought or made a recommendation not to go forward on October 1 because you didn't think the system was ready. Is that a correct statement?

CAMPBELL:

That's a correct statement.

WAXMAN:

Mr. Slavitt?

SLAVITT:

I'd refer back to my earlier answer. We did not make a recommendations. We -- we simply made everyone aware of the risks that we saw.

WAXMAN:

Ms. Spellecy?

SPELLECY:

No, we did not make recommendations.

WAXMAN:

Mr. Lau?

LAU:

We did not either.

WAXMAN:

Thank you.

Thank you, Mr. Chair.

UPTON:

The chair recognizes the vice chair of the full committee, Ms. Blackburn from Tennessee.

BLACKBURN:

Thank you, Mr. Chairman.

And thank you all for your testimony.

I would like each of you to submit in writing for me how much you have been paid to date and then how much you're being paid on retainer or either to clear up. And so, if you will submit that to us for the record, that would be wonderful.

HIPAA compliance, were you all trained in HIPAA compliance prior to beginning your contract?

I'll just go right down the line.

Ms. Campbell?

CAMPBELL:

Yes.

BLACKBURN:

Mr. Slavitt?

SLAVITT:

Yes. We do extensive HIPAA training.

BLACKBURN:

OK.

Ms. Spellecy?

SPELLECY:

Yes.

BLACKBURN:

Mr. Lau?

LAU:

Yes.

BLACKBURN:

OK. Did you all -- did your companies meet as a group with HHS before you started the process?

Anyone?

Did your companies meet together with HHS to discuss the integration?

Mr. Lau, go ahead.

LAU:

Yes, with the security people from CMS and Serco and others have coordinated this.

BLACKBURN:

OK. All right.

Let me ask each of you a question. How many people in each of your companies have physical access to the database servers storing the enrolling information?

Ms. Campbell?

CAMPBELL:

It's zero from CGI.

BLACKBURN:

Pardon me?

CAMPBELL:

We have zero access to the database.

BLACKBURN:

Zero. OK.

Mr. Slavitt?

SLAVITT:

I believe the answer is also zero for our QSSI.

BLACKBURN:

Ms. Spellecy, for the verification?

SPELLECY:

We have no access to CMS' servers.

BLACKBURN:

OK.

Mr. Lau?

LAU:

Two thousand people.

BLACKBURN:

Two thousand people have access to the database?

LAU:

Through the -- through the key entry of the applications.

BLACKBURN:

OK.

You know, under HIPAA regs, no one is supposed to have direct access to that database.

OK. Under the current technology infrastructure, how many separate servers or virtual servers in the cloud are being used to host and store data for healthcare.gov?

And Ms. Campbell, Mr. Slavitt, I think that's primarily to you.

CAMPBELL:

I don't have the exact number. What I can tell you from a CGI perspective, we have anywhere from 80 to 100 servers.

BLACKBURN:

So you have 80 to 100 different servers that are holding information?

CAMPBELL:

That are passing information through our system.

BLACKBURN:

OK.

Mr. Slavitt?

SLAVITT:

Ms. Blackburn, I don't have -- Congresswoman Blackburn, we don't have the answer to that question specifically to how many servers. We can follow that up.

But we don't store any data, however, any personal consumer data, in any of our systems.

BLACKBURN:

OK.

Then, Ms. Campbell and Ms. Spellecy, let me ask you this: The application information, is that being stored separately from the patient database information?

Ms. Campbell?

CAMPBELL:

Could you repeat the question again?

BLACKBURN:

OK. The applicant servers and the patient database servers, are these -- are you holding this information on your patients and on the database separately? Are you holding those separately?

CAMPBELL:

We're not holding any information.

BLACKBURN:

You're not holding any. OK.

SPELLECY:

We are provided only with limited information. Social Security numbers, names and date of birth, which we use to match against our system.

BLACKBURN:

OK.

Mr. Lau, you mentioned that you all are working through the paper entry and then the data entry from the paper applications.

LAU:

That's correct, yes.

BLACKBURN:

OK. So where are you physically storing the data that is collected and given to you?

LAU:

When the paper comes in, it's scanned and converted to electronic images. And then the paper is destroyed, once the image has been verified. The electronic image is put into a database and kept only until the information is key entered, and then it's put in archive and will be retained no more than 30 days.

BLACKBURN:

Retain it no more than 30 days, OK.

Let me ask each of you: Does your system keep detailed error logs so that it can be referenced with the difficulties that are surrounding healthcare.gov?

Ms. Campbell, I'll begin with you.

CAMPBELL:

Yes, we have error logs.

BLACKBURN:

OK.

SLAVITT:

Yes, we do keep error logs for our products.

BLACKBURN:

OK.

SPELLECY:

Yes, we keep error logs.

BLACKBURN:

All righty.

LAU:

We keep track of successful or unsuccessful application.

BLACKBURN:

OK.

Do you want to submit these error logs to us?

CAMPBELL:

I will have to confer back with CMS as to what documents we can and cannot provide.

BLACKBURN:

OK.

You know, it would be interesting to see those error logs, because I think it would give us an idea of how many people are actually accessing this system and then the problems that you've had with scalability on -- on this. I think we'd like to see what is causing these systems to crash and where the security flaws may be in this also.

And with that I'm over time. I'll yield back.

UPTON:

Thank you.

Mr. Dingell?

DINGELL:

(OFF-MIKE) Mr. Chairman.

We are having some questions before us which are very important.

OK. I know that the problems are not surprising, given the fact that there's been considerable obstruction to the program going forward. I received a letter from a constituent recently. She said, "I only make $12 an hour to buy my own health insurance on the open market. I can barely afford it, so I need to purchase it through an exchange and will therefore be eligible for a subsidy making health care affordable at last."

This is what the debate is all about. There are problems, but we have time to fix it. So let's work together to get this matter resolved so that the people can benefit and do not suffer.

These questions are for Cheryl Campbell of CGI Federal. One, is -- these are yes or no, if you please. Is CGI responsible for developing the software for (inaudible) facilitated marketplace, yes or no?

CAMPBELL:

Yes, sir.

DINGELL:

Did CGI obtain this contract through a competitive bidding process?

CAMPBELL:

Yes -- yes, sir.

DINGELL:

Does CGI have experience providing other information technology services to the federal government, yes or no?

CAMPBELL:

Yes.

DINGELL:

Did CGI conduct testing of your software for the marketplace website prior to October 1 when the launching took place, yes or no?

CAMPBELL:

Yes.

DINGELL:

Was CGI responsible for testing the function of the entirety of healthcare.gov?

CAMPBELL:

No.

DINGELL:

If not, who was?

CAMPBELL:

CMS.

DINGELL:

OK.

Do you believe that it is unusual for such a large project to experience some problems after it launches, yes or no?

CAMPBELL:

No.

DINGELL:

Despite the initial problems with the website, have consumers still been able to enroll in the health insurance plans, yes or no?

CAMPBELL:

Yes.

DINGELL:

Do you believe that the progress has been made getting the website to run as intended since it launched three weeks ago, yes or no?

CAMPBELL:

Yes.

DINGELL:

These questions are for Mr. Lau of Serco. Is Serco responsible for handling and processing paper applications for health insurance in the marketplace?

LAU:

Yes, sir.

DINGELL:

With all the problems with the website, many consumers are now turning to paper applications. Does Serco

have the capability to handle a larger amount of paper applications than was originally expected, yes or no?

LAU:

Yes.

DINGELL:

The last question is for all witnesses, and we'll start with Ms. Campbell. Do you all commit to working with CMS, Congress and all the stakeholders until the website is fixed and functioning as intended, yes or no?

CAMPBELL:

Yes.

DINGELL:

Sir?

SLAVITT:

Yes.

SPELLECY:

Yes.

LAU:

Yes.

DINGELL:

I would appreciate it very much if you would each submit for the record a summary of actions that you have taken to fix the website after October -- after the October 1 launch. Could you please do that?

CAMPBELL:

Yes.

DINGELL:

All right. Now, I would also ask that you submit also for the record suggestions for there to be changes and improvements in the way the matter is being dealt with by the federal government and any changes that you might deem would be useful in seeing to it that the matter goes forward as it can and should. Could you do that for me, please?

CAMPBELL:

Yes.

DINGELL:

OK.

That -- that question, I hope you understand, is to all of you.

(CROSSTALK)

DINGELL:

So I hope that you will all please assist.

I want to thank you all. It's clear that we have plenty to do in the coming weeks, and I hope and pray that we will be up to the task.

I urge my colleagues on the committee, this is a time when we can work together on something good. Maybe we didn't agree with the program or with the legislation, but we do now have a duty to see to it that it works for the benefit of the American people and that we achieve the benefits which we hope we can achieve.

I would note that this legislation originated under the hand and pen of my dear friend, Bob Dole, and John Chafee, and is, therefore, I think, subject to the charge that it has some bipartisanship, even though little could be found during the process of it.

I yield back the balance of my time with thanks.

UPTON:

Thank you.

Mr. Barton?

BARTON:

Thank you, Mr. Chairman.

I want to put slide number two back up.

Right there.

Now, that's -- unfortunately, that -- that blue highlighted thing is hard to read, so I'm -- I'm gonna read it again. This -- this is the part of the sign-up that is hidden. The applicant does not see this, but it is in the source code. And what that blue highlighted area that's been circled in red says is, 'You have no reasonable expectation of privacy regarding any communication or data transiting or stored on this information system.'

Now, Ms. Campbell and Mr. Slavitt, y'all both said that y'all were HIPAA compliant. How in the world can this be HIPAA compliant when HIPAA is designed to protect the patient's privacy and this explicitly says, in order

to continue you have to accept this condition that you have no privacy -- or no reasonable expectation of privacy?

CAMPBELL:

So, sir, that would be a decision made by CMS.

BARTON:

So you're not -- this is news to you?

(CROSSTALK)

BARTON:

You're the main prime contractor. You've never seen this before?

CAMPBELL:

Sir, we're -- that's not the -- we are the prime -- one of the prime contractors, yes.

(CROSSTALK)

BARTON:

Have you seen this before? Were you aware this was in the source code?

CAMPBELL:

This requirement is...

(CROSSTALK)

BARTON:

Are you aware this was in the source code, yes or no?

CAMPBELL:

Yes.

BARTON:

You were aware, OK. Do you think that's HIPAA compliant? How can that be? You know, it's not HIPAA compliant. Admit it. You're under oath.

CAMPBELL:

Sir, that is -- that is CMS's decision to make what...

BARTON:

I (inaudible) about that. You just told Ms. Blackburn that it was HIPAA compliant. You know that's not HIPAA compliant. You admit that you knew it was in there. It may be their decision to hide it, but you're the company -- not you personally, but your company is the company that put this together.

We're telling every American, including all my friends on the Democrat side -- and they're huge privacy advocates. Diane DeGette is co-chairman (ph) of the Privacy Caucus with me. But you're telling every American, if you sign up with this or even attempt to, you have no reasonable expectation of privacy. That is a direct contradiction to HIPAA, and you know it. Yes or no?

CAMPBELL:

Once again, CMS has us comply to a set of rules and regulations that they've established under our contract. And that is a CMS call. That is not a contractor call.

BARTON:

To break the law? You're now saying that CMS made a decision to break the law. Do you agree with that decision?

CAMPBELL:

Sir, I cannot make a -- I cannot speculate on CMS...

(CROSSTALK)

BARTON:

Let me ask Mr. Slavitt.

SLAVITT:

This is the first time I'm seeing and becoming familiar with that source code.

BARTON:

OK. So you weren't aware of it?

SLAVITT:

I was not aware.

BARTON:

OK.

Well, let me go back to Ms. Campbell. She's at least admitted she knew about it. Who made this decision to hide this, or to put it in the source code in the first place?

CAMPBELL:

I can't give you that answer.

(CROSSTALK)

BARTON:

All right, who do you report to?

CAMPBELL:

I don't know to that question. I can go back...

BARTON:

Was it -- was it some junior underling at CMS? Was it -- I mean, I mean, who made -- who generically made decisions at the policy level that your company interfaced with, give me that person's name?

CAMPBELL:

There are many decisions made under this program over this last two, two and a half years.

BARTON:

So is this another example of where things just go into a cloud? I mean, all you are are a contractor that spent $300 million, $400 million, so it goes to some amorphous cloud and then it comes back from down on high?

Who wrote that?

CAMPBELL:

I am not clear as to who wrote that.

BARTON:

Do you -- let me ask it this way. Do you think that should be in the -- do you think that should be a requirement to sign up for Obamacare, that you give up any reasonable expectation of privacy?

CAMPBELL:

Sir, that is not my jurisdiction...

BARTON:

You are a U.S. citizen.

(CROSSTALK)

CAMPBELL:

(OFF-MIKE) one way or another.

BARTON:

Well, I'll answer: I don't think it should be. I don't think it should be.

Let me ask -- my time's about to expire. Let me ask one more question. Ms. Campbell, did you do any kind of pilot program on this before it was rolled out?

CAMPBELL:

No, there was no pilot program.

BARTON:

OK. And you said that it was complicated and big but it was meeting your expectation. Do you think it's right that 99 percent of the people that try to go through the system get rejected, can't even complete the application?

Is that a system that you're proud of?

CAMPBELL:

Sir, this is the system that we are working every day to make improvements.

BARTON:

Well, in my -- if we have a system that almost no one can successfully navigate, that we have to go to the paper system of this gentleman's company down there, that is a system that's failed.

And with that, Mr. Chairman, I yield back.

UPTON:

Thank you.

Mr. Pallone.

PALLONE:

Thank you, Mr. Chairman.

I started out in my opening statement saying there was no legitimacy to this hearing and the last line of the questioning certainly confirms that.

HIPAA only applies when there's health information being provided. That's not in play here today. No health information is required in the application process.

And why is that?

Because pre-existing conditions don't matter. So once again, here we have my Republican colleagues trying to scare everybody...

(UNKNOWN)

Will the gentleman will yield?

PALLONE:

No, I will not yield to this monkey court or whatever...

(UNKNOWN)

This is not monkey court.

PALLONE:

Do whatever you want. I am not yielding. I am trying to tell you that the problem here...

(UNKNOWN)

Protecting American citizens...

PALLONE:

No pre-existing condition. Pre-existing conditions don't matter.

HIPAA doesn't apply.

There is no health information in the process. You're asked about your address, your date of birth. You are not asked health information.

So why are we going down this path?

Because you are trying to scare people so they don't apply and so therefore the legislation gets delayed or the Affordable Care Act gets de-funded or it's repealed. That's all it is, hoping people won't apply.

Well, the fact of the matter is there are millions of people out there, over 20 million, that are going on this site and they are going to apply and they are ultimately going to be able to enroll. In fact, many of them already have enrolled.

I think my Republican colleagues forget that a lot of people are enrolling through state exchanges rather than the federal exchange. And if it wasn't for the fact that many Republican governors, including my own from New Jersey, had agreed to set up state exchanges, then we wouldn't be putting so much burden on the federal system.

But I just want to give you some examples.

In New York and Washington, over 30,000 people have enrolled in coverage. In Oregon, over 50,000 people have enrolled. In California, over 100,000 have started application. In Kentucky, nearly 16,000 people have enrolled.

So you know, this website -- in federal website is not the only way that you apply. In fact, you can go to your community health center. You can go to the 1-800 number. You can go to -- there are many ways for people to enroll and all we talk about here is the website, because you're trying to make a case that people should not enroll.

Now, I want to ask two questions.

Ms. Campbell, am I correct that CGI is doing work in several states in addition to the work on healthcare.gov and would you comment on that, please, in these states?

CAMPBELL:

That is correct. We are -- we are supporting a number of states. And we -- those states are -- we are a prime contractor in Colorado. The prime contractor in Hawaii. A prime contractor in Massachusetts. A prime contractor in Vermont. We are a subcontractor in California, a subcontractor in Kentucky and a subcontractor in New Mexico.

PALLONE:

And you -- and that appears to be going well, obviously a lot of people have enrolled, as I said previously.

I know that in -- when Mr. Waxman asked a question, you said you had confidence that whatever problems exist in the federal data system or website that they would be fixed by December 15th, and you expect that the millions of uninsured people and others who are trying to enroll would be able to by then so that they could -- their insurance would be effective January 1st, was that my understanding?

CAMPBELL:

That's correct.

PALLONE:

OK. And I wanted to ask Mr. Slavitt -- the data hub that your company set up is working well to connect to the federal data when residents of those states apply. So what I'm trying -- what I'm asking, Mr. Slavitt, if I go through New York or California or some of the other states that have responsible governors that have set up these state exchange, unlike (sic) mine in New Jersey, that if you do that or you go through, you know, the 1-800 number or you go through, you know, the other means that you can to apply in person, that they can access the hub, is that correct?

SLAVITT:

That is correct.

PALLONE:

OK.

So again, I'm just trying to point out to my colleagues the success of all the state exchanges and, again, a lot of people are being able to enroll.

I think the figures show when state governors work to expand Medicaid and work to make sure their own citizens get coverage they can make a big difference. And they also show these statistics how shortsighted it is of Republican governors to refuse to expand the Medicaid program in their states because that's another big factor to the ACA that really isn't being discussed today.

Again, I never cease to be amazed how, you know, the GOP uses taxes to try to scare people and that's what's again happening here today. I was hoping this hearing wouldn't end up accomplishing that goal. And I would just ask, you know, the public, please, you know, try to find means to enroll. There are a lot of things other than the federal website, and don't be scared by my GOP colleagues into thinking, you know, somehow you're going to lose your privacy. There's no health information provided as part of this exercise.

Thank the gentleman.

UPTON:

Mr. Hall?

HALL:

Mr. Chairman, thank you.

This hearing's entitled "PPACA Implementation Failures: Didn't Know or Didn't Disclose?" And I guess this hearing really is to set us in little bit of shape to deal with Ms. Sebelius. I think she's going to be here next week.

President Obama often attempts to paint Republicans as being out of order, outright, downright crazy in their criticism of the health care law. I want to talk about that just a minute before I ask my question.

I hear from my district and from Americans across the country that the craziest part of the last few weeks is seeing the president's top health care official latching on Jon Stewart while Americans are having to deal with the consequences -- with the consequences with the president's flawed health care law.

For example, I have a teacher there in my hometown where she has to face premiums that will consume nearly a quarter of her monthly income or another constituent who's tried to comply with the law but has not yet received information about their coverage as promised and claimed, quote, "I am very concerned that our family will not be in compliance and will face IRS fines." They are calling for a repeal of the individual mandate and most of them are calling for that.

Yet, another who has been advised that their current coverage will end December 31st, 2013. So much for

keeping what you have. And this concern that the dysfunctional health care will expose me to unwanted liability that I can't get coverage through the website. Now -- and how verbose is this? You know, the founding fathers in 1776 declared their independence. The next year they wrote a Constitution. It was 4,500 words.

HALL:

This wording in here, the regulations not voted on by Congress contains a massively 11,588,000,000 words. I just don't know how anybody could ever answer these things. And I want to ask you, in an environment where people are worried whether or not they have a job and there's no jobs now and if we go on like we are going now there won't be employers a year from now, they now have to worry about navigating a flawed law where the chances of finding affordable coverage are often less than before the law's existence.

So my question to each of you is, CMS has had three years and most of you had over a year to ensure this law could work. What do you want me to tell the Americans who are terrified of really facing IRS fines for not being able to access coverage they actually can't afford?

I guess we start with you, Ms. Campbell. You weren't allowed or you chose not to use your opinion or make suggestions, but are you in a position to give me some words that I could give to these people to give them any hope that their government -- that we're doing our job here in Congress, that you've done your job that you were hired out to do? Is there hope?

CAMPBELL:

So if I understand the question, you're asking is the system going to be there for them to sign up.

HALL:

I beg your pardon?

CAMPBELL:

What is -- can you repeat the question?

HALL:

Yeah. Just give me something to tell these people that I've related (ph) to you that are people, honest people that have to live with what you all have created. You set up -- you run the website for people to sign up or exchange.

CAMPBELL:

And we're continuing...

HALL:

You must know a whole lot more than I know to know what to tell these people. I'm asking you to give me some help along that line. If you can't express your opinions to the people that you report to, you sure can't express them to me.

CAMPBELL:

I would -- I would tell your -- your constituents that the system is improving day-over-day and that we are continuing to work to make improvements for them to be able to enroll.

HALL:

Did you really start with one in Delaware?

CAMPBELL:

Pardon me, sir?

HALL:

Did you really start out with one in Delaware? That's what I -- the liberal press is reporting.

CAMPBELL:

I'm not familiar.

HALL:

How about my time? How much more time do I have?

(UNKNOWN)

You've got 38 seconds.

HALL:

All right. I'll yield, unless -- yeah. I'll hear from any of you. I'm -- I'm asking for help. I want help. I have 700,000 people that I have to report to, and I think about 690,000 hate Obama law. My time's up. I'll yield back.

UPTON:

Gentleman -- gentleman yields back.

Chair recognizes the gentlelady from California, Ms. Eshoo.

ESHOO:

Thank you, Mr. Chairman. Having listened to several colleagues already, as well as the witnesses, I'm struck by two things.

First, that my colleagues on the other side of the aisle, if they're serious to pursue what I think is the much larger issue of federal procurement, how it takes place, how we end up with contractors that say essentially say everything is all right when it isn't, that's going to take a bipartisan effort to -- to really bring about a fix.

But we have to keep in mind that these are the people that shut the entire federal government down, caused pain across the country, and extracted some $24 billion out of America's economy. And the American people were put through hell. That was all over shutting down or delaying or defunding the Affordable Care Act.

So there isn't any love lost between the Republicans and the law, and that's their position and it's abundantly clear, but I think what -- the other thing I'm struck with -- by today is in reading all of the submitted written testimony. When I read it last night, there wasn't anyone that wrote testimony and submitted it.

Let me put it this way. What you said, and I read it more than once, that everything was A-OK. No one acknowledged anything. Now, we've got problems with this website. There's no question about it. Now I represent Silicon Valley and I find this very hard to follow. This is the 21st century. It's 2013. There are thousands of websites that handle concurrent volumes far larger than what healthcare.gov was faced with.

You keep speaking about unexpected volumes, Ms. Campbell, and that really sticks in my craw. I have to tell you that. Because as I said, there are thousands of websites that carry far more traffic. So I think that's really kind of a lame excuse. Amazon and eBay don't crash the week before Christmas, and Pro Flowers doesn't crash on Valentine's Day.

Now in the testing of this between CGI and QSSI, can you describe exactly what kind of testing you did as the main contractors for -- for this? I mean, there is an internal testing and then kind of an external. You turn it around and then you test it for the outside.

Are you saying that you didn't test, that the tests worked very well both inside and out, or that you turned it all over to CMS? Anybody want to answer? I mean, what's happening? Do you have an answer?

CAMPBELL:

Are you asking me that question?

ESHOO:

I'm asking both of you. I just -- and you're using up a lot of my time by your silence. If you don't have an answer, just say that you don't. But maybe we can take something in writing. But the beta testing and the inside testing I think is clearly the main contractor's job. And you're essentially saying that everything was all right. It's not all right.

CAMPBELL:

There was testing done throughout the process. CMS did the end-to-end testing, but each component did their separate testing, and we had independent contractors testing our system as well.

ESHOO:

And what was the net result of that, what you just described?

CAMPBELL:

That the system was -- that our portion of the system that CGI was responsible for, that our functionality worked.

ESHOO:

And it didn't.

CAMPBELL:

Yes.

ESHOO:

It did not in the end result, correct?

CAMPBELL:

When it became part of an integrated end-to-end system.

ESHOO:

Well you knew it was going to be integrated. There are many subcontractors. That wasn't a surprise. Do you have something to say about the testing?

SLAVITT:

So let me be clear about role in testing. Our work -- the data services hub was tested, tested well, and tested adequately. And additionally, we played a role as one of many independent contractors testing the code developed by other contractors. We tested every piece of code we received timely. We returned a full report of any bugs we found to CMS promptly and made everyone fully aware of all the potential risks and concerns that were made available to us.

ESHOO:

Well I'm now over my time, but I think that what we'd like to hear from you is when you're going to fulfill your contracts to the taxpayers of the country so that we can go on and have people insured. Taxpayers have paid you a lot of money and you're essentially saying to us everything is all right when it's not. So I'll submit some questions in writing as well. And with that, I'll yield back.

UPTON:

Thank you. Mr. Shimkus?

SHIMKUS:

Thank you, Mr. Chairman. I have a lot of questions. I'm going to try to go fast. Mr. Slavitt, I'm just going to follow up Anna Eshoo's comments. We would like the names of the personnel at CMS who you provided the -- the risk that you identified in your analysis of other contractor's code. Can you do that?

SLAVITT:

Let me follow up with you on that.

SHIMKUS:

Yeah, that's fine, for the record. And the -- and what I'm going to encourage my colleagues to do is ask for names. Because this amorphous CMS is -- there are people there, and I -- I am going to venture a guess that the regular bureaucrats did their job, the political appointees manipulated the system to hide data they didn't want the public to know.

And we're going to find out who that is because that's the crux of this problem. I've got a letter from a constituent who basically says we have never been without health insurance. However, the Affordable Care Act may force us into the position of going without it. This whole battle is about whether Americans can have affordable health care. And this system is not helping in this debate.

And I just want my friend Mr. Pallone, my friend Ms. DeGette, I was ranking member when this bill got passed and signed into law. After -- after it got signed into law, we had 13 subcommittee hearings on things like smokeless tobacco, antibiotic resistance, health care pricing, national all scheduled electronic reporting authorization.

SHIMKUS:

Each one of those I asked for a hearing on the health care law. And it's in the congressional record. Statements like on April 28, 2010, we must hold hearings on the new health reform act. May 6, 2010, we should also call Secretary Sebelius to testify.

June 9, 2010, we need a hearing on the new health care law. June 2 '10, shouldn't the committee hold hearings and take immediate action?

My friend, Mr. Waxman, always sends us letters. I want to do this. I want to do that. We sent countless letters to the Democrat majority at that time, asking for hearings on the recently passed health care law. And, guess what? No hearings.

So when Speaker Pelosi then said, "We've got to pass the bill before we know what's in it," we're finding out. We're finding out a flawed tech system that's a mockery.

Now, let's talk about this. I -- I -- I accept the premise that you tested your individual section. But we are getting to the point of the integrated system. When was the integrated system tested?

Go -- go -- starting with Ms. Campbell, down to the end of the table, when was the integrated system tested?

CAMPBELL:

During the last two weeks in September.

SHIMKUS:

And what was the result of that?

CAMPBELL:

I don't have the results. You'd have to get that from CMS.

SHIMKUS:

And who would I go to to get that information? Who is your point of contact at CMS?

CAMPBELL:

So, there are a number of people.

SHIMKUS:

Give me a name.

CAMPBELL:

Henry Chou (ph).

SHIMKUS:

Give me another name.

CAMPBELL:

Michelle Snyder (ph).

SHIMKUS:

You got another one?

CAMPBELL:

Peter -- Peter -- Peter Oh (ph).

SHIMKUS:

OK.

Mr. Slavitt?

SLAVITT:

Well, here's what we saw...

SHIMKUS:

Isn't that a beta -- beta test? Wouldn't it put the different components together and see if the system worked?

SLAVITT:

Well, here's what we saw. We didn't see the full kind of integrated end-to-end system testing that you're talking about...

SHIMKUS:

Why not?

SLAVITT:

... until the couple of days leading up to the launch.

SHIMKUS:

Shouldn't it -- shouldn't we have had that?

SLAVITT:

Ideally, yes.

SHIMKUS:

Ideally, yes.

Wouldn't any other system, corporate entity rolling out something would test to see if it worked before it went out into the field?

SLAVITT:

Yes.

SHIMKUS:

Mr. Slavitt, do you have any names of who you talked to?

SLAVITT:

I don't have any names with me.

SHIMKUS:

Will you provide those to us?

SLAVITT:

We'll be happy to follow up?

SHIMKUS:

Thank you.

Ms. Spellecy?

SPELLECY:

So, we tested.

SHIMKUS:

I know you tested. A beta testing, end-to-end, when did it happen?

SPELLECY:

The information only comes to us after the application is completed. So we were testing up to the time that the system went live. And as far as we were concerned, everything that came to us, we were able to process.

SHIMKUS:

Quickly?

LAU:

Our systems are not integrated with the main system. Our main interaction with it is key entry.

SHIMKUS:

And, Mr. Slavitt, I'd like the names by tomorrow morning if you could do that.

Finally, I want to go back to Ms. Campbell. See-plans (ph), first feature that was just changed on the Web site, who told you to do that?

CAMPBELL:

I'm sorry, could you repeat that? I didn't hear you.

SHIMKUS:

The see first plans (ph). Remember, the Web site failed. Part of the problem is people don't know what the cost of the plans are. You all made a change to say see plans first, just reported yesterday by, I think, CBS. Who made that decision?

CAMPBELL:

I don't know (inaudible).

SHIMKUS:

Can you give us the name?

CAMPBELL:

We can get you a name.

SHIMKUS:

OK. Who made the decision that if you are younger than 50 you would be quoted a 25-year-old health policy?

CAMPBELL:

I don't have an answer for you.

SHIMKUS:

Can you get us a name?

CAMPBELL:

I can try. I can go back to my team to see if they have a name.

SHIMKUS:

OK. Who made the decision that if you're older than 50, you get quoted a 50-year-old policy?

CAMPBELL:

The same. I'd have to go back to my team.

SHIMKUS:

Thank you, Mr. Chairman. I yield back.

UPTON:

The gentleman's time has expired.

The gentleman from New York, Mr. Engel?

ENGEL:

Thank you, Mr. Chairman.

You know, it amazes me how our Republican colleagues are so concerned about the Affordable Health Care Act (sic), since they tried to defund it, they tried to kill it, they shut down the government because of it.

Do you think there's maybe a little bit of politics here?

But perhaps they should work with us to improve the Affordable Health Care Act (sic), instead of playing gotcha politics here this morning and trying to scare people into not enrolling into the Affordable Health Care Act (sic).

There'll be plenty of time to figure out who's responsible for the various problems facing the exchanges. What's more important to me is that Americans would be able to access the numerous benefits found in the plans offered through the exchanges.

So let me ask -- I know it's been answered before, but I want to just get a specific answer: How soon will it take to correct these glitches so that people can have unfettered access to the Web site?

I know things are improving, but how soon will it be, do you think, so that the average American can -- can do healthcare.gov and get right in without any of the glitches?

Ms. Campbell?

CAMPBELL:

What I can tell you is that I have a team of people working around the clock trying to quickly get this resolved. As I said, there's improvement day over day. I cannot give you an exact date as to when it will be completely to satisfaction.

ENGEL:

How about a guess?

CAMPBELL:

I would prefer not doing that. I don't like to raise expectations.

ENGEL:

Mr. Slavitt?

SLAVITT:

We don't -- we don't happen to control the pieces of the Web site that I believe you're referring to. We are committed to continuing to maintain the capabilities that we've built so far, and we're committed to helping resolve any new challenges that arise anywhere in the project that we've get asked to do so.

ENGEL:

All right.

Well, let me say this: I hope it's as soon as possible. Because I think there are numerous benefits in this law, and I want to see the American people utilize this law, because I happen to think it's a good law. I'm proud that it came out of this committee. And I'm proud that we had many, many months of deliberation before we

passed it.

Now, New York state, my home state, has also been experiencing some technical and capacity-related issues since October 1st, but I think in New York, it's a good example of what's possible when the federal government has a willing and enthusiastic partner in ACA implementation.

As of October 23rd, 174,000 New Yorkers have completed their application. And New York continues to make improvements to its exchange Web site, including quadrupling its processing capacity. And, by the end of the week, individuals should be able to look up coverage based on various providers and -- and doctors.

But I think that with my -- my Republican colleagues, given their new-found interest in seeing that the ACA is successfully implemented, I hope that I can see these same colleagues starting to champion the Medicaid expansion in their home states, so that their most vulnerable citizens can get access for coverage, and stop calling for continued repeal votes.

Now, many of us were on this committee last time -- this was mentioned before, but I want to emphasize it -- a major new health benefit was introduced, and that was Medicare Part D.

It's easy to forget now, but when that program was introduced, there were significant problems. The Web site was bulky. Headlines gave out bad information. When the program opened, pharmacists called it a nightmare, a disaster and -- and all kinds of things like that.

So, Ms. Campbell, am I correct that CGI did some work for Medicare Part D in the early years of the program?

CAMPBELL:

That is correct.

ENGEL:

Well, then you probably remember, like I do, that these problems were solved, and soon enough Medicare Part D became a popular and successful program.

And, by the way, we improved that program by closing the Part D drug doughnut hole in the Affordable Care Act.

So, that's one important lesson to remember now, that even if a program gets off to a rocky start, it does not mean that we need to jump to conclusions about its long-term success.

And that's why I'm confident that even with the Web site problems, the Affordable Care Act will be successful.

And there's another lesson to be learned from that experience. All the members of this committee, Democrats and Republicans, with Medicare Part D, worked together to fix the problem.

Democrats did not sit on the sideline and root for failure. We pitched in and helped. Republican committee members, in particular, insisted that we be patient with the Part D glitches. And some of the members of this committee, and I can quote what they said, the new -- at that time, "the new benefit and its implementation are hardly perfect but I hope that we can work together as we go through the implementation phase to find

out what's wrong with the program, and if we can make some changes to fix it, let us do it on a bipartisan basis. It's too big of a program. It's too important to too many people not to do that."

And another member said, "Anytime something is new, there's going to be some glitches. It is of no value, as a matter of fact, it is a negative value and a questionable ethical value, I think if people only spend their time criticizing the glitches that have been in the program. As with any program that occurs, whether it is a public or private program, criticizing it, standing on the outside, is not good."

So let me just say that let's take that same approach we had with Medicare Part D. Let's work together on both sides of the aisle to improve this program and not play gotcha politics.

Thank you, Mr. Chairman.

UPTON:

Mr. Pitts?

PITTS:

I thank the chairman.

A question to everyone: Have any of you or your companies prepared memorandums or summaries explaining where the problems are with healthcare.gov?

Ms. Campbell? And would you submit those for the record, if you have?

CAMPBELL:

If we are allowed to do so. We have to get permission under our contract with CMS.

PITTS:

But -- but you have prepared summaries or a memorandum?

CAMPBELL:

I wouldn't call them memorandum.

(CROSSTALK)

CAMPBELL:

I would -- I would say we probably have, you know, it's just a normal course, we provided information about what's happening on our system.

PITTS:

We'd appreciate if you'd submit that to the committee.

Mr. Slavitt?

SLAVITT:

Nothing holistic like you're describing, to my knowledge.

PITTS:

Ms. Spellecy?

SPELLECY:

We don't have any involvement with healthcare.gov, so we do not.

PITTS:

Mr. Lau.

LAU:

Likewise.

PITTS:

All right. To CGI and QSSI, the Washington Post reported this week, quote, "When the website went live October 1st, it locked up shortly after midnight as about 2,000 users attempted to complete the first step."

Is this true?

Ms. Campbell.

CAMPBELL:

That is true.

PITTS:

Two thousand users?

CAMPBELL:

I don't have the exact number. I just know that the system did have -- thank you for that follow-up. I don't have the exact number. What I can tell you is the system became overwhelmed.

PITTS:

So only 2,000, not millions the administration has claimed. So if it crashed with only 2,000 users, is volume really the issue, as the administration claims? Surely the website was designed to handle more than 2,000 users.

Ms. Campbell?

CAMPBELL:

I was not -- CGI is not responsible for the, as I call it, the front door. So I don't think I am in position to answer...

PITTS:

Who is responsible for the front door?

CAMPBELL:

QSSI had the EIDM piece...

PITTS:

OK.

Mr. Slavitt?

SLAVITT:

So what I can tell you is that the EIDM tool is in fact capable now of handling all the demands that are being placed on it through the system. I would point out that the EIDM tool is one part of a registration process that includes I think five vendors and multiple pieces of technology. So I can only speak to the EIDM tool and their functioning.

PITTS:

Now, I've listened to your testimony this morning. It sounded like you think everything is A-OK. It's not OK. We heard a variety of reasons as to the difficulties for why this site does not work. They include the inability to browse, required so many people to log in that the website was overwhelmed. Poor coding, poor hardware. Volume.

Ms. Campbell, why doesn't healthcare.gov work properly?

CAMPBELL:

Sir, if there is (inaudible) a silver bullet to answer -- if there was a silver bullet to answer that question, I would. It is not just a component of what CGI is responsible for. It's the end- to-end aspect that is challenged. There's components across the entire system -- across the ecosystem that can have an impact on the...

PITTS:

Mr. Slavitt.

SLAVITT:

We absolutely take accountability for those first days when our tool was part of the issue in terms of being able to handle all of the unexpected volume. And we absolutely will take accountability for helping in any way we can to help this project go forward.

Fortunately today, the data services hub and the EIDM tool are performing well.

PITTS:

Now, you were here on September 10th when we conducted the hearing in the health subcommittee. I expressed my skepticism at the time, 40 days later, we've seen the exchange roll out, nothing short of disastrous. I'd like to ask again, CGI and QSSI, why were we told everything was OK a few weeks before one of the biggest IT disasters in government history.

Ms. Campbell.

CAMPBELL:

Once again, sir, the portion of the system that CGI was responsible for is where we had...

PITTS:

Were you not aware of the problems consumers would face before October 1st?

CAMPBELL:

We were not part of the end-to-end visibility throughout the system to understand exactly what was impacted.

PITTS:

Mr. Slavitt.

SLAVITT:

As I remember correctly, at that hearing there was a lot of focus on whether or not the data services hub would be ready. I think we were informed to be prepared to answer to this committee around and to your subcommittee around those questions.

We mentioned on that date that we thought the data services hub would be ready. It was indeed was ready. I don't think we had...

PITTS:

Did you express any concerns to this to CMS?

SLAVITT:

We expressed all of the concerns and risks that we saw based on the testing that we did and didn't see that was unrelated to our work, our work, as a matter of fact, we felt was on track and we expressed that to them as well.

PITTS:

Ms. Campbell, my time's up. Would you submit those memorandum communications to us within 24 hours, please?

CAMPBELL:

Once again, under our contract with CMS, if we have permission to do so -- they are not memorandums. I'm not even -- I have to go back and see what we do have for you.

PITTS:

Thank you, Mr. Chairman. I yield back.

UPTON:

Mr. Green.

GREEN:

Thank you, Mr. Chairman.

And some of us have been on the committee a good while. I don't know if any of you had experience, because we also had problems in 2003 when we created the prescription drug program and this committee did that. With much fewer participants. So what we're seeing now is -- sounds like we have a success, we just don't have a computer to deal with it.

I support the Affordable Care Act, because I know how dependable and affordable insurance coverage is to our families in our district. The stories I've heard from people are excited to sign up for the coverage remind me why this law is important.

Thousands of people in our district has been denied coverage in the past because of pre-existing conditions, or pay for expensive coverage they couldn't rely on. That's why we need the Affordable Care Act's new benefits and protection. That's why it's so frustrating that healthcare.gov has not worked the way we were promised. Especially after hearing such optimistic testimony from these organizations in September.

Ms. Campbell, and I know you've been asked this before, but repetition helps us learn, were too optimistic in your prediction before our committee on October 1st?

CAMPBELL:

I don't believe so, sir.

GREEN:

Well, what happened then, because obviously you're optimistic but in the last, you know, 23 days it's been a problem?

CAMPBELL:

You asked about September 10th.

GREEN:

Yes.

CAMPBELL:

September 10th, we were quite optimistic that the -- that our portion of the system would work effectively when the system went live.

GREEN:

Well, again, it may have been too optimistic.

Mr. Slavitt, Mr. Lau and Ms. Spellecy, were you, too, optimistic in your earlier testimony before the committee?

SLAVITT:

Congressman, we believable we have been prudent and cautious all the way through this project. We did express confidence to the subcommittee on September 10th that the data services hub would be ready on October 1st and it was.

SPELLECY:

No, sir, our portion of the system has worked as we testified it would on September 10th.

LAU:

The paper processing capability has been up and running since October 1st as well.

GREEN:

Well, obviously there's a problem and it's not like an ostrich, we have to bury our head in the sand. We have to deal with it. And are each of you all willing to work to make sure that we -- we fix this problem? Because if you don't accept there's a problem, it's hard to fix it.

CAMPBELL:

Sir, we do accept there are challenges. There is no question about it, there are problems, and we are working together to solve those problems.

GREEN:

Well, Mr. Chairman, hopefully we'll follow up in another month or so, so we can see what's happening and so we can do our oversight like we're supposed to do.

Mr. Slavitt, one problem that many people identified QSSI's registration and access management to the website, the gateway of setting up an account, was this system overwhelmed by volume when healthcare.gov went live?

SLAVITT:

So let me explain what happened and where things stand today with the registration tool. First of all, the registration tool utilizes leading commercial software. It's widely deployed and it works in other settings across the...

GREEN:

I only have about a minute and 48 seconds left. So can you tell me, was the system overwhelmed?

SLAVITT:

The system -- the registration system was overwhelmed with the concurrent users.

GREEN:

And have those problems been fixed?

SLAVITT:

We have expanded the capacity greatly in the registration tool since then, yes.

GREEN:

OK. Are there any other problems in the data hub or the registration gateway managed by QSSI that you're working to fix?

SLAVITT:

I think problems come up -- discreet problems come up routinely. Our team has early warning systems. They addressed those problems and there's none that I am aware of outstanding.

GREEN:

Ms. Campbell, CGI is responsible for healthcare.gov website, now that the registration gateway has been fixed, we hope, are you encountering new problems?

CAMPBELL:

We are. We are looking at those problems and making those corrections as they come up.

GREEN:

And can you give us a background on those problems? If you would, give it to us in writing. Do you have a privacy agreement with HHS, I think we can take care of that if we have to, on making sure this committee gets the information.

Do you expect to continue to make improvements and fix problems over the coming weeks?

CAMPBELL:

(inaudible) our commitment, sir.

GREEN:

Well, as we know, we're all impatient. Some of us on our side who believe in the Affordable Care Act and didn't start from day one trying to repeal it want it to work and we want to make sure -- and I hope we have a majority support for if we need to do things to fix it that it will get done.

And so -- but I look forward to continuing to see -- I don't know if we ought to put a parking space out in front, Mr. Chair, but until we get this fixed, we might need to do that.

And I yield back my time.

UPTON:

Mr. Walden?

WALDEN:

Thank you very much, Mr. Chairman.

I want to thank all the panelists for their testimony today.

And, you know, I was in small business for 22 years, in the radio business. We dealt with software upgrades and changes in systems and all that. And I'm feeling a lot of those emotions come back today, because when we put a new system in there'd be multiple vendors and every one of 'em's system operated perfectly except when it all came together. And then they all pointed fingers at somebody else.

And I'm feeling a lot of that today, only as a person who represents three-quarters of a million people and $500 million on the line, it's why we're here, is to figure out what went wrong.

And -- and I'd just like to know on this whole end to end thing -- because it sounds like each of you has said that you designed your system and tested it to the specifications you were given by CMS, is that accurate, yes or no? Ms. Campbell?

CAMPBELL:

That is correct.

WALDEN:

Mr. Slavitt?

SLAVITT:

Yes.

WALDEN:

Spellecy?

SPELLECY:

Yes.

LAU:

Our systems are not integrated.

WALDEN:

All right. So you -- you get to sit there and not quite get as much opportunity here today.

But I want to go then to -- to the first two. If you designed it to CMS's specifications and you tested it and felt it was all good to go, where did this break down? Was it -- do -- in most systems you operate in, do you do end-to-end tests prior to the rollout? And if so, when would you have preferred that end-to-end testing had been done by CMS?

Ms. Campbell?

CAMPBELL:

Let's see if I can get all of those questions...

(CROSSTALK)

WALDEN:

I'll make it simple: When should the end-to-end test been started?

CAMPBELL:

There's never enough testing, for sure.

WALDEN:

When did it occur?

CAMPBELL:

But it occurred the last two weeks in September.

WALDEN:

Should -- so you think that's an adequate time frame for a system this mammoth, one-sixth of the nation's economy and millions of people coming into it? Did that give your company adequate time to make sure everything was integrated, gonna work?

CAMPBELL:

It would have been better to have more time.

WALDEN:

And how much more time would you have preferred to have?

CAMPBELL:

I don't have an exact...

(CROSSTALK)

WALDEN:

Did you make any recommendations to CMS about the need for end-to-end testing to occur sooner than the last two weeks before this whole thing went live?

CAMPBELL:

I did not, but...

(CROSSTALK)

WALDEN:

Did anyone in your company make a recommendation?

CAMPBELL:

I'd have to go back.

WALDEN:

I'd like to know that.

Mr. Slavitt?

SLAVITT:

Yes, ideally integrated testing would have occurred well before that date.

WALDEN:

How far in advance, a major website coming on line...

(CROSSTALK)

SLAVITT:

Well, with -- with enough time to correct flaws before they (inaudible) I couldn't give you an exact date.

WALDEN:

(inaudible) you do any work for anybody else outside of CMS where end-to-end testing is required?

SLAVITT:

Yes.

WALDEN:

And in those situations are those commercial situations or government?

SLAVITT:

Both.

WALDEN:

And in those situations what's the standard protocol? What's the recommended industry standard for end-to-end test before rolling up (ph) a major website like this?

SLAVITT:

Months would be nice.

WALDEN:

Months would be nice.

Ms. Campbell is that accurate for your company, as well?

CAMPBELL:

That's correct.

WALDEN:

And you were given two weeks, and yet months would have been nice. Is that what -- if you were to do a contract for a system like this, what would you -- what would you ask for in terms of doing the end-to-end test? You have (inaudible) standard industry recommendations?

CAMPBELL:

So we weren't given two weeks. That was CMS who -- who decided to conduct the test in that two-week time period. It wasn't -- it wasn't ourselves doing the...

(CROSSTALK)

WALDEN:

Well, and I think that's correct. But as a vendor -- and you want your company to come out of this looking good not (inaudible) spend your time with us, as much as I'm sure you're enjoying it. But what -- what should (inaudible) the industry standard called for here -- have you ever undertaken a -- bringing up a website, being a part of something this big, affecting this many people's lives?

CAMPBELL:

I would say...

WALDEN:

Yes or no, have you ever done one this big?

CAMPBELL:

Of this -- of this complexity?

WALDEN:

Correct.

CAMPBELL:

I -- I testified that this is by far, I think, the most complex our -- in our country for -- in a very long time.

WALDEN:

And I think you're right. And that's where (ph) I'm trying to get. Where should the end-to-end test have been done? If you could have had -- if your company could have made that decision, what would you have made a recommendation for the complete integrated end-to-end testing to begin? When should that have started?

CAMPBELL:

It would have -- it would have had -- we would have loved to have had months to be able...

(CROSSTALK)

WALDEN:

Months. And that's the same -- see, I was hearing that from people on the outside as this all was coming

together. I chair the Subcommittee on Communications and Technology. As I would reach out and just ask, 'How do you think this is gonna work?' this is exactly how outside people predicted it would turn out. And here we are today.

This isn't a partisan issue about health care. People expect this thing to work. I mean, I went through this in Oregon with our DMV. Department of Motor Vehicles spent, I think, it was $50 million or $60 million back in the late '80s and finally scrapped the whole system because it was a failure. We said stop.

I don't want this to be a failure. But I don't -- I want you all to get it fixed, but I'm very disturbed that CMS did not give you the adequate time that would be an industry standard to test this before every American said, 'OK, they tell me it's ready, I'm ready to go.' Because you all came here and told us -- and through us, the American people, it was good to go, and it wasn't.

UPTON:

Ms. DeGette?

DEGETTE:

Thank you very much, Mr. Chairman.

Ms. Campbell, you testified before the House subcommittee on September 10th, correct?

CAMPBELL:

That's correct.

DEGETTE:

And at that committee you -- at that hearing you testified that CGI Federal was confident that it would deliver the functionality that CMS directed qualified individuals to begin enrolling in coverage, correct?

CAMPBELL:

That's correct.

DEGETTE:

And in your written testimony of today you also testified that CGM (ph) and others developed the site (ph) and it passed the eight required technical reviews before going live on October 1st, correct?

CAMPBELL:

That is correct.

DEGETTE:

And either at that hearing on September 10th or until just now you have never testified that -- that there was insufficient integrated testing to know whether the -- the exchange was going to work, correct?

CAMPBELL:

There -- there were...

DEGETTE:

I never saw any of your testimony that you ever said in those hearings that more testing was needed -- and I was there.

CAMPBELL:

So is your question whether I testified of testing...

(CROSSTALK)

DEGETTE:

That's correct. Did you ever tell this committee that more testing was needed to make sure it would work?

CAMPBELL:

I don't believe I...

(CROSSTALK)

DEGETTE:

Thank you.

Now, Mr. Slavitt -- I'm sorry, I have very little time.

Mr. Slavitt, you were our only witness who was not here on September 10th, but Mr. Finkel from your organization was. And on September 10th Mr. Finkel testified, quote, "Our delivery milestones for data service hub completion are being met on time. We expect CMS data service hub will be ready as planned by October 1st." Correct?

SLAVITT:

I believe that's correct.

DEGETTE:

And in your written testimony today you echoed that QSSI completed code for data services hub in June, that you did the testing, there was an independent risk -- security risk assessment completed on August 30, is that correct?

SLAVITT:

It's correct.

DEGETTE:

And today in your testimony you said that you shared the problems that you identified with CMS. Were those problems shared after September -- after the September 10 hearing, then?

SLAVITT:

Yes.

DEGETTE:

OK. And I would request that you would supplement your testimony today by telling us the problems that you identified to CMS. Will you please do that for us within 20 days?

SLAVITT:

Be happy to get back to you.

DEGETTE:

Thank you very much.

Now, did -- did your organization do testing with -- with a number of 200 people and that testing failed? That's what we've been seeing in the press accounts.

SLAVITT:

I'm not familiar with all of the accounts from the press. What I think you're referring to is the testing that occurred in the final days leading up to the October 1st launch.

DEGETTE:

And was that done with only 200 people?

SLAVITT:

That was -- I know that that was a -- my understanding is that that was a test that failed. Once the systems were -- began to be finally put together for the first time.

DEGETTE:

OK. But were there tests done with more people coming into it as well?

SLAVITT:

Yes.

DEGETTE:

OK.

Now, there's one more thing I want to talk about in the time I have, and that's this issue of privacy. Because in my opening statement I said that I was really touched by the people on the other side of the aisle trying to work with us. But when I heard my friend and colleague, Mr. Barton's statement, and I saw his slide -- which fortunately I got a copy of since I couldn't see it -- I realized that in fact a lot of people don't want the Affordable Care Act to work and they're raising all of these specters.

And this privacy issue is a specter, because Mr. Barton's questions -- sorry he's not still here -- because his questions came from an article in" The Weekly Standard," where there apparently is a line of code which says -- and it's not visible to the user. It's somehow in there. It says, "You have no reasonable expectation of privacy regarding any communication or data transiting or stored on this information system."

And so (inaudible) sort of some standard boilerplate, but Mr. Barton is assuming this violates HIPAA. But it would only violate HIPAA if people were putting their personal medical information into the application.

DEGETTE:

And so, I want to ask a couple of questions about that. As I understand it, do -- you don't need any medical information to enroll people, other than the question, "Do you smoke?" Is that correct, Ms. Campbell?

CAMPBELL:

That is correct.

DEGETTE:

Is that correct, Mr. Slavitt?

SLAVITT:

That's my understanding.

DEGETTE:

And is that correct, Miss Spellecy?

SPELLECY:

We wouldn't have the visibility into that.

DEGETTE:

And what about you, Mr. Lau?

LAU:

That is correct.

DEGETTE:

So -- so, people aren't putting confidential medical information onto the Internet and so, therefore, they wouldn't be violating HIPAA.

And I am disappointed that my friend would -- would go down this road. And I would ask unanimous consent to put that article in the record, Mr. Chairman.

UPTON:

Without objection.

DEGETTE:

I have one last question -- when can these exchanges be ready and when can people get on them with reliability? Ms. Campbell?

CAMPBELL:

As soon as possible. We're working as hard as we can.

DEGETTE:

Mr. Slavitt?

SLAVITT:

Two of -- two our systems are currently ready. We're doing everything we can to maintain them and we'll do everything we can to assist (inaudible).

DEGETTE:

I just want to say, Mr. Chairman, my health care aide went on the Virginia -- to the National Exchange, who lives in Virginia last night. She was able to register. She was able to research plans.

I hope this happens for all...

WAXMAN (?):

The gentle...

DEGETTE:

The rest of America.

WAXMAN (?):

The gentlelady yields.

DEGETTE:

I have no time left...

UPTON:

Gentlelady...

WAXMAN:

Even (ph) here, I just went on my iPad and I was able to access the choices of plans to my constituents in California in the five, 10 minutes period.

UPTON:

Gentlelady's time has expired.

Mr. Terry?

TERRY:

Thank you, Mr. Chairman.

And for Ms. Campbell on down, first two questions are more or -- yes or (ph) no questions.

Did you or anyone from your company consult with or discuss today's testimony and your answers to potential questions with anyone from CMS to prepare for this hearing?

Ms. Campbell?

CAMPBELL:

We -- we talked to CMS about our testimony but not any detail at all.

TERRY:

And who did you discuss that with?

CAMPBELL:

I'm -- I don't recall. I didn't discuss it with anyone myself. I'll have to find out.

TERRY:

Your people -- so, there's always intermediaries.

Mr. Slavitt?

SLAVITT:

No.

TERRY:

Miss Spellecy?

SPELLECY:

No, we did not have specific conversations.

TERRY:

Mr. Lau?

LAU:

No.

TERRY:

OK. That's good.

Did your company, again from Ms. Campbell on to my right, did your company or any of your subs use any people who work outside of the United States to assist in your respective part or your contract with CMS, otherwise known as outsourcing?

CAMPBELL:

No. We're very proud of the fact that we created jobs all in the United States.

TERRY:

All of them?

CAMPBELL:

All of them.

TERRY:

OK.

SLAVITT:

No.

SPELLECY:

No.

LAU:

No, sir.

TERRY:

Very good.

Are you -- now, I -- I'm concerned about the -- the front door of the -- of this system -- of this website. Now, is this system able to track how many people are accessing what we call the front door? Ms. Campbell?

CAMPBELL:

We're not responsible for the front door.

TERRY:

You know, it's -- it's very confusing. Because in your testimony on the 10th, you did suggest -- and somehow that piece of paper is missing right now -- you -- in your testimony that you provided, that you said eligibility and enrollment will serve as a front door as -- for consumers to fill out the online health insurance application, as one of the responsibilities. So, I'm -- I'm confused by that.

CAMPBELL:

No, I understand. So, we're -- we're the face of -- if you think about a house, we're the outside structure. But the front door that you go into...

TERRY:

You're just the siding that was put up, huh?

CAMPBELL:

I don't know about that -- my dad's in construction, all of his life; he had a small business -- construction...

TERRY:

All right, well...

CAMPBELL:

So, I -- I kind of think in those terms quite...

TERRY:

So then, all of the front face...

CAMPBELL:

(inaudible)

TERRY:

Accessing is Mr. Slavitt's world?

CAMPBELL:

Ask the question again.

TERRY:

Mr. Slavitt, are you responsible for the front door?

SLAVITT:

So, I think "the front door" is a bit of a term of art. We supply a tool that's one of five...

(CROSSTALK)

TERRY:

All right, let me interrupt you, then, because I have very little time.

I'm not trying to be rude, but what I'm trying to get to is who's -- which -- which of you was responsible for the application that allows CMS to know how many people are actually accessing this website?

Is that you, Mr. Slavitt?

SLAVITT:

So, we have access to the data which shows how many people are coming through the IDM registration tool.

TERRY:

All right. And under that data that's then compiled of how many people -- can you break it down to say how many people from Nebraska -- since we don't have a state exchange like California does and have to go to the national one (ph) -- can you determine how many people from Nebraska have tried to access?

SLAVITT:

I don't know.

TERRY:

Do you know how many people have tried to access on any particular date? Do you have that data, Mr. Slavitt?

SLAVITT:

I don't have that as I sit here.

TERRY:

Does your company have that?

SLAVITT:

Yes, we do.

TERRY:

And are you allowed to share that data with us?

SLAVITT:

I will follow up right away after this.

TERRY:

So, you are -- you are able to give us that data?

SLAVITT:

Yeah. We'll follow up and see if we can do that.

TERRY:

Has CMS made any instructions to you regarding your ability to provide us the data of how many people have tried to access through the front door?

SLAVITT:

No. Not to me, not to my knowledge.

TERRY:

All right.

And Ms. Campbell, do you have access to the information of how many people have tried to access the website?

CAMPBELL:

We have some aspect of that data, as well.

TERRY:

Has CMS instructed you not to give that to -- information to us?

CAMPBELL:

We have -- we have, under our CMS contract, we have to have permission from CMS first to provide that information.

TERRY:

OK. So, has CMS allowed you to provide that information yet?

CAMPBELL:

I -- no. That is...

TERRY:

So, if I ask you, you will deny or say that you can't answer that question, even though we're a panel of members of Congress.

CAMPBELL:

I would say that...

TERRY:

And you're under oath.

CAMPBELL:

Based on our contract that we have with CMS, we'd have to get permission.

TERRY:

Mr. Slavitt, are you under the same contractual obligation with CMS?

SLAVITT:

I actually don't know, but we'll check into it.

TERRY:

Will you still provide us the information? Because you're under oath and we've asked you for that information.

SLAVITT:

If we can, we certainly will.

TERRY:

That was a good non-answer.

UPTON:

The gentleman's time is expired.

Just remind colleagues that to order of offering question is the order of seniority when the gavel falls on each side. So, with that, I recognize Mr. Butterfield.

BUTTERFIELD:

Thank you very much, Mr. Chairman. Thank all of you for your testimony today -- it's been very enlightening.

I will associate myself with the comments made by my colleagues throughout this -- this hearing. Let me tell you, I represent, like Mr. Hall said a few minutes ago, 700,000 people down in North Carolina.

More than 100,000 of those have no insurance whatsoever. They are eager to get enrolled and we got to get this thing right -- and soon.

Ms. Campbell, let me start with you -- on Monday, Congressman Darrell Issa, the chairman of the House Oversight Committee, wrote a letter which was publicly released accusing the White House of injecting politics into decisions about the website.

The reason I want to ask you about this is because Chairman Issa says that the source for his accusation is you and your company, CGI. According to Chairman Issa's press release, the White House made, quote, "the political decision to mask the sticker shock of Obamacare to the American people."

He is talking about the decision by HHS to disable the anonymous shopper function on healthcare.gov website. But he suggests this decision was made instead by the White House for political reasons.

Chairman Issa wrote this letter after receiving a briefing from CGI in (ph) last week. According to Mr. Issa's letter, quote, "CGI officials told committee staff that CMS officials and employees constantly mention the White House when discussing matters with CGI.

"Although CGI officials were not able to identify who within the administration made the decision to disable the anonymous shopping feature, evidence is mounting," -- and this is Mr. Issa speaking -- "evidence is mounting that political considerations motivated the decision."

I'd like to ask you a few questions about this. First, did CGI provide a briefing to Mr. Issa -- Issa's staff last week?

CAMPBELL:

I was not there myself, but I believe that -- that meeting did occur.

BUTTERFIELD:

The meeting did take place, to the best of your knowledge?

CAMPBELL:

I think it did. But I'd -- I'd have to confirm. I'm -- I'm not close enough to the situation.

BUTTERFIELD:

Do you know how many from your team participated in that meeting?

CAMPBELL:

I do not.

BUTTERFIELD:

You did not participate?

CAMPBELL:

I did not.

BUTTERFIELD:

Who do you answer to, within your organization?

CAMPBELL:

The president of CGI Federal, Donna Ryan.

BUTTERFIELD:

And do you know if Mr. (sic) Ryan participated in that discussion?

CAMPBELL:

I -- I don't believe so, but I don't know for sure.

BUTTERFIELD:

Let me ask you this -- just directly. Are Mr. Issa's allegations correct? Did the White House ever order -- order your company for political reasons to mask sticker shock of Obamacare by disabling this anonymous shopper function?

CAMPBELL:

So, let me answer two things. One, I -- I don't believe that members of CGI actually made those statements direct -- in that -- in that manner. I think they may have been taken out of context, but I think they -- I'd have to get back to you with confirmation of that. And to my knowledge, no, the White House has not given us direct instructions.

BUTTERFIELD:

I would like to get that information from you. It's a very serious allegation for the chairman of an oversight committee to make such a callous accusation.

Based on the meeting with your company last week, Mr. Issa's letter wrote that, quote, "Evidence is mounting that political considerations motivated this decision."

Do you have any evidence -- and you just alluded to it -- do you have any evidence that political considerations motivated this decision?

CAMPBELL:

I'm not privy to anything of that sort.

BUTTERFIELD:

Do you have any knowledge of any White House role in specific decisions relating to the website?

CAMPBELL:

Not to my knowledge.

BUTTERFIELD:

Are you aware of any political intervention by this White House relating to your work on healthcare.gov?

CAMPBELL:

I am not.

BUTTERFIELD:

Thank you, you have been very kind.

Mr. Chairman, we need to work together to make this program function efficiently and effectively. I urge my colleagues to work with us and let's work with these witnesses to get it right.

Thank you. I yield back.

UPTON:

Mr. Rogers.

ROGERS:

Thank you -- thank you for being here today. I have a series of quick questions I'd like to get to.

Ms. Campbell, how many change orders have you -- either formally or inevitably leading up to the launch, what function they wanted you to perform?

CAMPBELL:

We've received approximately eight change orders.

ROGERS:

Eight change orders. When was the most recent?

CAMPBELL:

I believe as recent as August of this year.

ROGERS:

OK, Mr. Slavitt?

SLAVITT:

I don't know the answer to that, but I think it was a low number, if any. I don't know the answer.

ROGERS:

OK. Are you both making changes now with code in order to fix any of the so-called glitches or nonperformance issues? Ms. Campbell, yes or no?

CAMPBELL:

That would be yes.

ROGERS:

Mr. Slavitt?

SLAVITT:

We made modifications along the way.

ROGERS:

How many organizational boundaries between the piece of information traveling from the United States government to the web portal, how many boundaries, how many organizational boundaries, including the states and their access to information, does that piece of information cross?

SPELLECY:

I'd have to get back to you with that answer.

ROGERS:

Give me an estimate? Large number?

SPELLECY:

When you say organizational boundaries are you talking about like Homeland Security, IRS?

ROGERS:

IRS, Veterans, you have states that have access to other -- cross other boundaries to get pieces of information. A pretty significant number?

SPELLECY:

I'd have to get back...

ROGERS:

Please get back for the record.

Mr. Slavitt.

SLAVITT:

All I'm familiar with is the data that passes through the data services hub comes from a trusted data source such as a government entity, passes through the data services hub to those who request the query.

ROGERS:

That concerns me a little bit, that you don't know the answer to that. When you did a security verification by an independent contractor, I assume on August 30th, Ms. Campbell, did you do the same?

CAMPBELL:

That's correct.

ROGERS:

Was that an end-to-end system test that crossed every organizational boundary? Or was that by the segment of which you controlled in the process? Your segment of the contract? Ms. Campbell?

CAMPBELL:

I would have to go back and find out exactly, but I believe it was from wherever our system touched other parts of secure systems within...

ROGERS:

Mr. Slavitt -- so you don't know the answer to that question?

Mr. Slavitt.

SLAVITT:

We had a complete test -- that meets the standards of, I believe, (inaudible). Our systems as matter of source don't hold data. They just transport the data through it.

ROGERS:

Sure. And you're familiar with the various levels of cyber weaknesses in any system, right? A boundary being the weakest point. So when you say you don't hold information, that is a very low standard in order to protect information. I don't have to be where it's held to obtain it, are you aware of that?

SLAVITT:

Correct.

ROGERS:

So what are you doing for security on advanced persistent threats? And how is that checked? Who is your independent contractor? Did you red team any of this in the last weeks before the launch of your system?

SLAVITT:

I'm not familiar. Although I can certainly check about whether there are any security concerns. None were brought to my attention or made available. I believe it was Mitre Corporation who provided the independent security risk assessment.

ROGERS:

And who certifies that your system is -- on a daily basis -- is secure from external threat? Cyber threat?

SLAVITT:

Let me get back to you.

ROGERS:

Is it CMS or is it private contractor? Somebody certifies that you are doing this?

SLAVITT:

Let me get back to you...

ROGERS:

Are you familiar that there is an ongoing security check into your particular system?

SLAVITT:

I believe there is.

ROGERS:

But you don't know?

SLAVITT:

I want to get back to you on the details.

ROGERS:

But, you don't know the answer.

(CROSSTALK)

SLAVITT:

(inaudible)...

ROGERS:

Ms. Campbell do you know the answer?

CAMPBELL:

Similar answer. Mitre is the -- was the independent security testing contractor.

ROGERS:

And how about on an ongoing basis? Who certifies that it is is as secure...

CAMPBELL:

It's it's CMS has a SISO (ph)...

ROGERS:

So it's -- CMS secures their own system, or at least certifies their own system is secure, is that correct?

CAMPBELL:

With the support of Mitre is my understanding.

ROGERS:

I understand that. But that's to your understanding.

So the information flows from these systems, it goes to the data hub, you have designed the systems to transport information, is that correct?

That's what your design is. Ms. Campbell your infrastructure is designed to take a piece of information from the hub and get it to a -- an end user which would be whatever navigator is in front of that screen, is that correct?

You built the infrastructure for that to happen?

CAMPBELL:

That's correct. A portion of it, yes.

ROGERS:

And Mr. Slavitt, you wrote the code for that to happen.

SLAVITT:

For the data hub, yes.

ROGERS:

OK, so in less than two weeks you are telling me you are constantly changing code, you are introducing new code, you can't quite tell me how that's secure, in any system that I have ever seen, two months for a functionality test is not appropriate. Let alone a security check on this information.

I am more nervous today than I was when I got here. I am shocked, shocked that on August 30th you get an independent check that says the system is fine and you have introduced new code to that system probably daily, probably in terms of hundreds of thousands of lines, at least tens of thousands of lines of new code which creates new vulnerabilities in the system and you don't even know the answer if these things are end to end security tested, number one. And number two, you are not even sure if your piece is end-to-end ongoing security tested.

I have to tell you, Mr. Chairman, this is a significant event.

And you don't have to like Obamacare. You can hate it, love it, can't wait to get in it. You cannot expose this much information with this low threshold of security in a day when there is (sic) 1.5 million people ripped off every day in cybersecurity. Where the folks who are systems administrators and people who sit in front of

those portals, are they trained in spear-fishing, one of the most basic shelves of security level.

Do you know, Ms. Campbell?

CAMPBELL:

Sir, I have to push back a little in terms of -- to give the impression that CGI is putting willy-nilly code on a daily basis...

ROGERS:

I'm not -- Ma'am, you know better than that. I am not suggesting that.

CAMPBELL:

We are -- we have...

ROGERS:

Ma'am -- reclaiming my time.

This makes me more nervous.

You don't have to have willy-nilly code. You can have the best code in the world. Every cybersecurity expert understands that when you introduce new code it has other implications on a broader system.

Even beyond your borders.

That's what we are worried -- we are not worried you are putting bad code in. We are worried that you may be accidentally, as we know with (sic) the functionality of your system doesn't work, it would be only logical to conclude if the functionality of the system doesn't work when it all came together, you cannot compose security.

UPTON:

The gentleman's time has expired.

ROGERS:

Yeah, I would -- I need the answers to all those questions by 9:00 a.m. tomorrow.

UPTON:

The gentlelady from Illinois, Ms. Schakowsky.

SCHAKOWSKY:

Ms. Campbell, I want to clarify one key point. Did CGI System crash in a test with only a few hundred people in the days before October 1st?

CAMPBELL:

So there was an end-to-end test that occurred, and the system did crash with about that number. I don't have the exact number. But it was part of the end-to-end test.

SCHAKOWSKY:

Thank you.

I wanted to emphasize that the website has to be fixed. But it is not, as the Republicans contend, a fatal flaw, a contention that ignores millions of people who have already benefited and the tens of millions of people that will benefit from the new coverage. In the first three weeks there have been over 19 million unique visits to healthcare.gov and almost half a million applications have benefited nationwide. And some people are getting through.

Susan, constituent of mine wrote, "Thank you. I was able to successfully access the website yesterday. I'm very pleased that the cost of my coverage will be dropping approximately $5,000 a year when compared to my current individual coverage. Ironically the same provider, BlueCross BlueShield."

SCHAKOWSKY:

Or David who said, "Seven years ago I was diagnosed with Melanoma. Last year I spent $11,000 on health care. ACA will save me $4,000 per year. I need this program. I know this, because if I had no health insurance I would be dead."

Every day since the passage of Obamacare, the Republicans have undertaken obstructionist efforts, including shutting down the government, that amount to congressional malpractice. And I want to flash back to when the Bush administration was implementing Medicare Part D, a law which many Democrats opposed because of the doughnut hole, which of course Obamacare will close.

Secretary Levitt -- Secretary Levitt said at the time -- well, first of all, it launched November 8th, 2005, for enrollment; January 1st the program enrolled, began actually signing people up.

February 22nd Secretary Levitt said, quote, "We are now at the 53rd day since the implementation of Medicare prescription drug coverage. After reviewing the numbers and experiences to date, I can report that we are seeing solid progress.

"We continue to work aggressively to solve the problems that inevitably occur in transitions this size." That was Medicare Part D.

And so despite the glitches in Medicare Part D, Democrats worked with Republicans to ensure that the law was a success and that all Medicare beneficiaries had the information necessary to take advantage of Medicare Part D.

In fact, Chairman -- in fact, I joined with Chairman Fred Upton to request additional funding for community-based organizations to help seniors actually enroll in Medicare Part D. And I have that letter right here.

So unfortunately the Republicans have actually taken steps to ensure that consumers do not know all the benefits and protections provided by Obamacare.

In June, Senate Majority Leader Mitch McConnell, Senate Minority Whip John Cornyn sent letters to major sports leagues warning them not to help consumers be educated about the benefits of Obamacare.

And after Medicare Part D, Democrats like me hosted events in order to boost awareness and facilitate enrollment.

This has not happened with Obamacare. Several Republican members have even stated they will not help constituents who call and ask for more information about the benefits of Obamacare and how to enroll.

And those Republican efforts will only harm American families and small businesses and cut short the relief Americans need, because insurance companies are no longer in control of their health care, and they are guaranteed access to affordable coverage that will be there for them when they need it.

I agree that the website must be fixed, that the Republicans should stop their obstructionism, commit to working with Democrats as we did with you on Medicare Part D to fix any provisions that need to be fixed rather than to continue your efforts to nix the law.

Let's work together to fix it and not nix it.

And I thank you and yield back.

(UNKNOWN)

The gentleman from Pennsylvania, Dr. Murphy.

MURPHY:

Thank you.

Ms. Campbell, when healthcare.gov went live on October 1st it was not possible to browse the site in order to see the prices. You had to register.

Who made that decision?

CAMPBELL:

CMS made that decision.

MURPHY:

Who within CMS?

CAMPBELL:

I can -- I don't have the exact name of the person. I might -- I would say that Henry Chow from CMS.

MURPHY:

And are you aware of any White House involvement in that decision process?

CAMPBELL:

I am not.

MURPHY:

OK.

So what challenges arise when you switch a website where individuals can browse to one -- just browse versus one where you first have to register?

Does this require a substantial amount of work?

CAMPBELL:

Well, it's -- it definitely puts a different -- additional burden on the system.

MURPHY:

Do you have to write a new code to make that happen?

CAMPBELL:

Well, for us to turn it off it was just putting a flag in our system to non-allow for anonymous...

(CROSSTALK)

MURPHY:

And how much more time does this then take, the, to test the system like that once you have made those kind of decisions?

CAMPBELL:

It just -- it became part of the normal testing process.

MURPHY:

But you never tested the whole system, right?

CAMPBELL:

CGI did not.

MURPHY:

OK.

Now Mr. Slavitt, when were you aware -- when were you made aware of the decision that the website would not allow browsing and would require registration first?

SLAVITT:

We weren't made aware of this until the final days prior to the launch.

MURPHY:

That final day being what date?

SLAVITT:

I believe it was within 10 days.

MURPHY:

In 10 days.

Do you know who made that decision?

SLAVITT:

I don't know. We don't know who made the decision. We don't know when the decision was made. And we don't know why the decision was made.

MURPHY:

And are you aware -- but it was someone from CMS, HMS, the administration, the White House? Do you have any idea?

SLAVITT:

We don't know.

MURPHY:

OK.

Did -- Ms. Campbell, did you inform anyone at CMS or HHS of any concerns you had that this required more testing? More time was needed because the system wasn't going to be working?

CAMPBELL:

More testing because of the anonymous shopping or...?

MURPHY:

Well, both. Let's start with the shopping issue, but the whole system.

Did you inform anybody at CMS or HHS that you needed more time because the system wasn't working?

CAMPBELL:

So, once again, the portion that CGI was responsible for went through its unit test...

(CROSSTALK)

MURPHY:

So you did through your -- but you didn't look at the whole thing?

CAMPBELL:

We were not -- we are not responsible for end-to-end testing.

MURPHY:

All right.

Mr. Slavitt, did you inform CMS or HHS, anyone there that needed more time, you didn't have enough time?

SLAVITT:

We informed CMS that more testing was necessary. We informed CMS of the pieces of the system that had -- that we had tested that had issues.

MURPHY:

OK.

SLAVITT:

So, yes, we did.

MURPHY:

All right.

Mr. Lau, how many applications did you actually to fill out to process for people?

LAU:

As of today I would estimate about 9,000.

MURPHY:

About 9,000.

And how many of these successfully completed?

LAU:

About half of those were successfully (inaudible).

(CROSSTALK)

MURPHY:

And do you have to go online or is there another process for that?

Do you have to go to the website?

LAU:

Work through the consumer portal.

MURPHY:

Are you expecting more applications?

LAU:

We are, yes. The volumes are increasing.

MURPHY:

All right.

Ms. Campbell, so you're saying you haven't gone through and tested the whole system. You did your part.

Mr. Slavitt, you said the same thing, am I correct?

Your parts -- you both just tested your parts?

You didn't check the whole system? Am I correct?

CAMPBELL:

So CMS has independent contractor to SSI that tests our system.

MURPHY:

Yes. OK.

And, Mr. Slavitt, did QSSI test the whole system?

SLAVITT:

We tested the portions of the system for the code that we received.

MURPHY:

Who was the independent contractor who tested the system?

SLAVITT:

QSSI was one of the independent contractors; we tested code from CGI.

MURPHY:

And did you find any problems?

SLAVITT:

So we found problems in the code...

MURPHY:

And did it -- would it require more time to fix it?

SLAVITT:

-- which in and of itself isn't necessarily a problem so long as they are fixed.

MURPHY:

Did you inform anybody at CMS or HHS that there was problems and you needed more time?

SLAVITT:

We informed both CMS and the other contractor.

MURPHY:

Who did you tell?

SLAVITT:

I don't know the names of anybody we told, but I can tell you we informed CMS and informed the contractor responsible for the code.

MURPHY:

Ms. Campbell, how much money did CGI get to do this whole process from the federal government, total?

CAMPBELL:

Our total TVC is -- about $290 million.

MURPHY:

I see.

And Mr. Slavitt, how much did your company receive to do all this?

SLAVITT:

So the data services hub has been funded to just under $85 billion.

MURPHY:

All right.

Now let me ask you, Ms. Campbell, have you personally tried to log on and test the system for yourself, done the application process itself?

CAMPBELL:

I have. But I have insurance.

MURPHY:

And where -- how long did it take you to do it?

CAMPBELL:

It's a -- it took the normal time that it would take an individual...

MURPHY:

You were able to successfully -- wait, what state was that in?

For what state?

CAMPBELL:

I'm a -- I'm a Virginian.

MURPHY:

And does Virginia have its own website or is that a government website?

CAMPBELL:

It's part of the government website.

MURPHY:

And Mr. Slavitt, did you personally try to get on to the system?

SLAVITT:

Yes, I did.

MURPHY:

And for what state?

SLAVITT:

I attempted -- I think I put in Texas.

MURPHY:

Is that where you're from?

SLAVITT:

I'm not but I was testing the system.

MURPHY:

Well, did it work?

SLAVITT:

Well, I logged on to create an account, was able to do so. I just never received a confirmation e-mail.

MURPHY:

So it didn't work?

SLAVITT:

It didn't work.

MURPHY:

Thank you.

I yield back.

(UNKNOWN)

The gentleman from Kentucky, Mr. Yarmuth.

YARMUTH:

Thank you, Mr. Chairman.

Ms. Campbell and Mr. Slavitt, particularly, would you say that if far more states had decided to do their own exchanges, then the national exchange would not have experienced as many problems?

CAMPBELL:

I can speculate. I would say probably. But I don't know for sure.

YARMUTH:

Well, I wanted to talk about the Kentucky experience, and I want to thank your company for its involvement in our state, because the experience in Kentucky has been extraordinarily successful.

And even though there were problems for a few hours on the first day, again because of excessive demand, at least unprojected demand, but those were quickly rectified.

YARMUTH:

And I have these statistics now for the first 21 days in Kentucky. We had 640,000 Kentuckians estimated without insurance. So assuming that most of those were the people who had contacted the system were mostly from that population, we have had 280,000 unique visitors to Kynect -- K-Y-N-E-C-T -- 247,000 have actually conducted prescreenings to determine qualifications for subsidies and so forth.

47,000 applications for health care coverage have been initiated and 33,700 are completed.

As of the 21st, 18,370 individuals are enrolled in the new affordable health care. And I think, almost equally important, 378 businesses have started applications for health insurance for their employees.

So in terms of the numbers of people who were -- could take advantage of the Affordable Care Act in -- in Kentucky, a huge number have already done so. Actually have enrolled in affordable insurance for the first time, in many cases, in their lives.

You know, Mr. Shimkus talked about one person he got a letter from said that he was not happy with what the prospects were. And we've heard a lot of these anecdotal stories.

And, in fact, Fox News brought some people on last week, and one of those small-business persons said, oh, he had to cut the hours of his employees and so forth.

And a reporter from Salon, Eric Stern (ph), followed up on that. Found out that this man had actually only four employees. So he was not at all -- not even covered by the Affordable Care Act.

So we have to be very careful about people who say that they've done things or they've suffered because of the Affordable Care Act when, in fact, they haven't.

But I've got a couple of cases from my district that I think are very valid experiences and also testify to how important this law is and the benefit of it.

Jeff Bower (ph) wrote, "I'm 62 years old, and my wife will reach that age before the end of the year. In January, I parted ways with my employer of 39 years. We were lucky to have never need government assistance of any kind. We're pretty much a typical middle-class family.

"We asked our doctors if they anticipated any problems with us acquiring health insurance. They told us our health was good and they did not anticipate any problems.

"We were dismayed to find that we were both turned down for coverage based on existing medical conditions. The conditions were not chronic or serious.

"Our only alternative was to select COBRA coverage, coverage for 18 months with monthly premiums over $1,000. When COBRA expires, July, 2014, we would have to go the next 20 months with no health insurance.

"But on Kentucky's health exchange I was able to purchase our insurance for $800 less than our COBRA coverage. Previous medical conditions were not a factor. The exchange was user friendly. And I was able to complete the application with no problems.

Like to thank lawmakers and the president for representing those of us who only have little voices and had the courage to make this coverage available through the Affordable Care Act."

Another woman, Debbie Batchem (ph), 17 years ago, was diagnosed with late third stage breast cancer. She was able to get into a special trial at Duke. And she overcame her disease, but was left with a $200,000 bill that was not paid by the insurance company.

Now, because of the Affordable Care Act, she cannot only change coverage, she has no lifetime limits. No annual limits. And these are the things that will protect her and her family.

So I just want to say that the experience is not all negative. And I'm confident that eventually the national exchange, I hope, very quickly, becomes as effective as the Kentucky exchange.

So I thank you for your testimony.

I yield back.

UPTON (?):

Dr. Burgess?

BURGESS:

Thank you, Mr. Chairman.

Mr. Slavitt, I just will say that my experience was similar to yours. I live in Texas, so I did try, just while we were sitting here spending some time together this morning, try to sign up on the exchange for Texas. And I ended up with a similar result as you did.

I just have to say here we are three weeks into the open enrollment period, and I can't think that anyone on this panel this morning would think that that is acceptable, that the system would still work so poorly, regardless of the state involved.

Ms. Campbell, can you tell me at this point how many people have signed up through CGI?

CAMPBELL:

I cannot. And I need to clarify an answer I gave regarding 200 failures on the end-to-end test. It was actually -- and I understand, it was an end-to-end test on the EIDM where there was 200 failures.

BURGESS:

Let me -- On that first morning, October 1st, we were up late doing a vote, so probably about 2:00 in the morning, I attempted to sign in then, and met with the same response. The system asked my favorite kind of pasta or something along those lines, and then froze up.

And like Mr. Slavitt, I've never gotten a confirmatory e-mail on any of the many, many times that I've sent that information through.

What happens to that information?

Ms. Campbell?

CAMPBELL:

That's on the EIDM side. So I'd have to...

(CROSSTALK)

BURGESS:

And so, what happens to that information?

Can I ever get it back?

SLAVITT:

So, I can relate my own experience. Of course, when I found out that I didn't get an e-mail back, I called the QSSI team to see what happened.

Indeed, EIDM had a record of my transaction, received the transaction, and we know that EIDM received my submission. We also know that they sent that transaction over to the marketplace. And, as I mentioned,

EIDM is only a tool used in the registration process. It's not the registration process.

Beyond that, I don't have any visibility.

BURGESS:

But, again, I ask my question: Can I get that information back?

SLAVITT:

I believe that information would still reside in the registration tool.

BURGESS:

Well, I mean there's only so many passwords that I have the mental capacity to make up. And I'm running through all of them with continuing to try to sign this up. So if you could return some of them back to me, I would greatly appreciate that.

So, Ms. Campbell, you referenced a number of questions of Dr. Murphy about the amount of money that CGI had received for -- for this contract.

CAMPBELL:

So, to clarify, that's the total contract value through the out years. So, to clarify, that's the total contract value through the out years. That's not the dollars that we have received to date. The dollars that we have received to date is in the range of about $112 million.

BURGESS:

So, are all of these fix-its that are occurring now, are those -- were those included in that $12 million (sic) bill? Or are there ongoing invoices that are going to have to be reimbursed from CGI?

CAMPBELL:

So, CMS has implemented a cost-reimbursable-type contract. And as we continue to do the normal, our contract says that we are responsible for the development and then it moves into operations and maintenance, which is continued bug fixes and things of that sort.

(CROSSTALK)

BURGESS:

So we're paying...

(CROSSTALK)

CAMPBELL:

It's the normal course -- if the normal course of a development and a production environment scenario.

BURGESS:

And, I'm not trying to be harsh here, but you are continuing to bill the taxpayers for the fact that your code did not work or that your product did not work as advertised.

Regardless of whose fault it was, on October 1st, I think we'd all agree it wasn't working. The taxpayer is being billed for those invoices to fix things.

CAMPBELL:

Sir, on October 1, the taxpayer couldn't get to our system.

BURGESS:

Let me just add this as an observation. I mean, it seems like we've got several fingers but no palm here. Was there -- was there anyone involved in sort of overseeing the entire -- the entirety of this to make sure it worked from A to Z?

Ms. Campbell?

CAMPBELL:

That would be CMS, as the system integrator.

BURGESS:

And who at CMS? Mr. Chou (ph) again?

CAMPBELL:

As one of the individuals, yes.

BURGESS:

Who else at CMS? Was the administrator for CMS involved?

CAMPBELL:

I can't say who was in that decision-making process.

BURGESS:

How about you, Mr. Slavitt? Who -- who -- who was the -- the unseen hand trying to put all this together?

SLAVITT:

CMS did play that role. I'm not aware of who within CMS.

BURGESS:

You know, there was a comment on a blog post this morning on one of the local papers that said, "When do I start to really freak out about this?"

The average American watching this hearing this morning, can we give them any comfort about that? When -- when should the average American begin to really become upset about what they've seen here in the past 3.5 weeks?

Ms. Campbell, do you have an observation?

CAMPBELL:

I do not, sir.

BURGESS:

Mr. Slavitt?

SLAVITT:

Our team worked intensively in those first few days after the launch.

BURGESS:

Here's the problem: Nobody believes this thing is gonna get fixed when we keep getting answers like this.

We're asking you for help. We're asking you to be transparent. And we get non-answers to our questions.

So I would submit that the average American looking in on this hearing this morning is going to feel like there's really nobody in charge, maybe somebody at CMS, but who's going to take the responsibility for getting this thing fixed and making it right?

Because, heaven's knows, they've paid enough money to have it work, right?

Thank you, Mr. Chairman. I'll yield back.

UPTON (?):

The gentleman's time has expired.

Mr. Welch?

WELCH:

Thank you very much. And thank you for the hearing. We all have a real interest in trying to get this thing to work, that's for sure.

WELCH:

But I do want to say a couple of things about what this hearing is not about, because it puts it in a bit of a context. It's not about whether we should take away the right of our kids up to age 26 to be on health care, our own health care policy. That's working great.

It's not about whether the preventive care that has been made available for free to seniors on Medicare should be rolled back. That's working pretty good. It's not whether the $4 billion in Medicaid -- Medicare fraud that's been found out and saved for the program was a bad idea. Strong bipartisan support on that.

It's not about whether the opportunity Americans have to now get health care coverage, even if they have a pre-existing condition, should be rolled back. People are pretty happy with that.

It's not about whether the doughnut hole that was such a burden for seniors on Medicare should be rolled back. What we've done in this law, as everyone knows, is provide coverage to folks through that doughnut hole. So that's pretty good.

And it's not about whether the Medicaid -expansion a that is part of this bill should be rolled back. In Vermont, that'll be, like, 40,000 people that are gonna get access to health care. And that's gonna -- cause that's gonna affect some of the hardest working people in this country, farmers who work hard, make very little, but were not eligible to get Medicaid because they didn't have young children.

So, Mr. Chairman, all of those things we're not having to question. They're working great.

What we're talking about is a computer program that's messed up at the moment. And I've got some -- we all have some historical experience with that. When the prescription drug program for seniors, the Medicare Part D was put into place, it was a huge computer program, and there were lots of glitches. And the question that this committee had at that time, March of 2006, was what to do about it.

And we had some really good advice from some really good members. One of them said, who was a supporter of Medicare Part D, "As I mentioned earlier the new benefit in its implementation are hardly perfect. But rather than trying to scare and confuse seniors, I would hope that we could work together as we go through the implementation phase to find out what is going wrong with the program. And if we can make some changes to fix it, let's do it. Let's do it on a bipartisan basis."

I'd say that statesman had it right, and that statesman was Joe Barton of Texas.

(LAUGHTER)

Thank you.

And we had another member: "We can't undo the past, but certainly they can make the argument" -- they were having a hearing a month late -- "but the reality is that for the prescription drug program is -- the benefit is 40 years late, and the seniors who signed up for Medicare on those first days back in 1965, when they were 65 years of age, are now 106 years of age waiting for that prescription drug benefit. So I hope it doesn't take us that long to get it right, and I don't believe it will." And that was Congressman Burgess, who serves with us on this committee now.

And then another, I think, quote that was really terrific: "Any time something is new there's going to be some glitches. And it is of no value -- as a matter of fact, it is of negative value and of questionable ethical value, I think, sometimes if people only spend their time criticizing the glitches that have been made in the program as with any program that occurs, whether it is a public or private program -- criticizing it, standing on the outside, and frightening seniors -- frightening seniors into thinking that because there was complexities and

difficulties therefore they should not sign up." And that was Congressman Tim Murphy.

And you know what, that advice they gave them is pretty good advice for us to take now. I adopt their comments as our path forward.

And I'll ask just each person on this panel, can the computer challenges that we're facing right now, none of us want -- it's a real hassle for Americans. It starts to undercut confidence in a program. And whether it's eBay, Amazon.com, Flowers.com, you name it, if their program is not working there's frustration for anybody who goes on it. I just want to go down the panel, can this be fixed?

CAMPBELL:

Sir, we are working every day to get it fixed, yes.

SLAVITT:

We believe we can.

WELCH:

Thank you.

SPELLECY:

We hope so but we don't have visibility into that.

LAU:

We have no direct involvement with that system.

WELCH:

OK, thank you. I yield back.

Get it done.

UPTON:

Dr. Gingrey?

GINGREY:

Mr. Chairman, thank you.

The gentleman from Connecticut said what this hearing was not about, and he listed a litany of things that in his opinion are positive. But let me tell you what -- what this hearing is about. It is about whether young people over the age of 26 and not eligible for subsidies, who are forced come January the 1st, if they have no insurance, to sign up for the exchanges and pay at least double what they normally would pay. It is about that.

Here we are 24 days after the exchanges have come on line and yet we receive conflicting reports from the administration on the number of people who have successfully received coverage.

When we met more than six weeks ago with this panel, I warned that companies charged with developing and implementing the federal exchanges had not had the time to successfully produce and test such a complex system. We're hearing that today.

During that hearing we heard that all of your systems were functioning properly and ready to go on October the 1st. After what has been an unsuccessful first three weeks-plus of implementation, we now have to better piece together the timeline of problems and figure out who knew what and when did they know it.

Ms. Campbell, in your testimony you say that your company was selected as the best value to create federally facilitated marketplaces, FFMN, in 2011. Due to the fact that the requirements were not well established at the time of the award and that the requirements did evolve over the next two years. How was CGI, your company, made aware of these changing requirements by CMS?

CAMPBELL:

So we received change orders, and then we would respond back with a proposal, and then that proposal would be accepted, and then we would continue moving forward.

GINGREY:

When was the last time that the federally facilitated marketplace requirements were changed by the administration? When did they prior to October the 1st?

CAMPBELL:

I believe our last modification occurred in August of this year.

GINGREY:

Was there ever a point that CGI expressed doubt as to whether the updated requirements would affect your ability for a successful launch?

CAMPBELL:

We -- each time we received changes we -- we shared with CMS the risk associated with -- with any changes that -- that we were asked to provide support.

GINGREY:

Can you tell me today, this morning who specifically you gave that information to, expressed that concern to?

CAMPBELL:

You know, I'd have to go back to my team specifically...

(CROSSTALK)

GINGREY:

Could you do that for me before 9:00 in the morning?

CAMPBELL:

If I'm allowed to provide that information based on our terms and conditions of our contract with CMS.

GINGREY:

Well, this is -- this is a government that prides itself in transparency. I'm certainly sure that you would be allowed.

You also stated that CGI Federal delivered the functionality required by CMS. Did you ever have concerns that CMS was not requiring enough in terms of design and functionality? And were there ever internal concerns at CGI that CMS did not have the technical expertise to handle such an ambitious project?

CAMPBELL:

So -- in terms of -- you know, CMS has a number of, you know, technical resources, and it was their responsibility to be the system's integrator here. And we provided support and guidance as we could.

GINGREY:

Ms. Campbell, when -- over the last several weeks when the Republican majority in the House of Representatives was trying desperately to keep the federal government open and submitted several bills to the -- the Democratic majority Senate, Mr. Harry Reid, one of those requests after the initial request was rejected was to simply say, look, we will fund the entirety of the federal government at sequester levels, but we think it's a good idea to delay the rollout of Obamacare for a year. Now, that was summarily rejected, again by Mr. Reid.

We then came back and said, would you just meet with us, would you just allow us to meet with a bipartisan, bicameral committee and talk about this? And it's very possible if he had agreed to do that that this delay of a year could have been negotiated down to a delay of six months.

Let me in my few seconds left ask each one of you, particularly you and (inaudible) do you think that that six-month delay would have given you sufficient time to have a successful rollout and to avoid all of this embarrassment and expense?

CAMPBELL:

I don't think I can answer that with a yes-or-no scenario.

GINGREY:

Well, is there any scenario under which you could answer it?

CAMPBELL:

It's -- it's a -- you know, the system went live. There are many entry points upon which there is the ability for

a person to enroll. The online app is one -- one...

GINGREY:

I'm -- I'm a little over time. Mr. Slavitt, quickly?

SLAVITT:

I don't know how -- what flexibility there was at (ph) the time, but certainly more testing always helps projects like these succeed.

GINGREY:

Well - well, Ms. Sebelius, the secretary and ended up being interview by the Dr. Sanjay Gupta on CNN and in the Wall Street Journal said she needed five more years. It could've taken -- and she only had two.

UPTON:

Gentleman -- the gentleman's time is expired.

GINGREY:

I yield back. Thank you.

UPTON:

The gentleman from New York, Mr. Tonko.

TONKO:

Thank you, Mr. Chair. Thank you, witnesses.

I'm pleased to hear some concern expressed on the other side of the aisle regarding access problems that people are having in interacting with the health care government -- healthcare.gov website, and look forward to working with them in a bipartisan way to make that happen.

I sense two great demands out there. One, a great demand for this product called Affordable Care Act.

Second, a great demand placed by the public into our laps to get this business of connecting access to the system done in a bipartisan, professional way.

I would also like the echo the comments of many of my colleagues in distinguishing between the unfortunate rollout of the website and the underlying promise of the law itself -- that all individuals will finally have access to affordable health care.

And many of the benefits of that package are now well known and very much appreciated -- no longer denial (ph) by industries -- by the industry because of preexisting conditions; students being able to stay on their parents' plan until the age of 26; seniors not having to pay as much money out of pocket for prescription drugs and eventually closing that doughnut hole. And the list goes on and on.

While there might be problems with the website, we have heard it here this morning and it's worth repeating -- we have to fix it, not nix it. We have to fix it, not nix it. It's an important mantra to guide us forward.

Mr. Chair, when people are able to overcome these initial bumps in the road, they are discovering a quality product that will save families hundreds of dollars a month on health care costs.

You don't have to take my word for it -- Fox News contributor, Sally Kohn, upon discovering that her family will be saving $408 per month in my home state of New York said "Ideologues may not like Obamacare but my wallet and my family's health sure do."

So, while we're here to address the real problems of an underperforming website, we can't ignore the larger story that affordable health care has finally become a reality for millions of Americans and that is something we should not delay.

Ms. Campbell, that being said, most of the bugs in the system we have heard about here today have been with the federally run website healthcare.gov. Is that correct?

CAMPBELL:

That's correct.

TONKO:

And how many states are currently participating in the federally facilitated marketplace through the healthcare.gov website?

CAMPBELL:

Thirty-six.

TONKO:

Now, it was my understanding that the Affordable Care Act envisioned that the states would be taking the lead on designing and running these exchanges. Do you have a sense of why 36 states chose to let the federal government take the lead instead?

CAMPBELL:

I -- I had no further information to -- to support that.

TONKO:

But I think it's clear to state that this was how it was envisioned to work and would've been beneficial.

From what I can tell, many states that refused to create a state- based exchange did so largely for ideological reasons. Now, did CGI Federal participate in building the exchange websites in any of the states running their own exchanges?

CAMPBELL:

Yes, we have.

TONKO:

And my sense is that the states that have taken ownership of the Affordable Care Act and designed and run their own exchanges are outperforming the federal exchange. Would you agree with this assessment?

CAMPBELL:

That is correct.

TONKO:

Thank you, Ms. Campbell. And I do agree that the picture that we have seen in the state-based exchanges is vastly improved over what we are seeing through healthcare.gov.

My home state of New York, which also experienced website problems at the outset, has now signed up nearly 174,000 New Yorkers for quality, low-cost health insurance. That means that more New Yorkers have completed an application and received an eligibility determination than any other state in our nation.

This is clear-cut evidence that the temporary setbacks can be overcome and -- and success can be achieved when the law is implemented the way it was intended -- without malice and obstruction.

In closing, I would implore my Republican colleagues to reject the politics of division and join with us in finding constructive solutions to these technical problems so that the many millions of Americans demanding and deserving access to the private sector driven health care options they now have before them is a reality.

With that, Mr. Chair, I will yield back.

UPTON:

Mr. Scalise?

SCALISE:

Thank you, Mr. Chairman. I appreciate you having this hearing.

I want to thank the witnesses for coming to testify. You know, there's been a lot said about why we're having this hearing. One of the reasons is that our constituents are calling us on a daily basis reporting some of these many problems that we're talking about here today.

And it's not just a failure of a website. Obviously, there's a lot of focus on the failure of the website. But it's a focus on the failure of the law in general -- the fact that there were so many broken promises made by the president about what this law would do.

If you like what you have, you can keep it. Thousands and thousands of people are losing good coverage they have.

In Florida, it's reported, I think, MyBlue (ph), 300,000 people are going to lose the health care they have that

they like. All across the country, we here that.

Costs were going to be lower. You know, you're seeing so many states report that costs are dramatically higher. In Chicago -- in President Obama's own backyard -- it's reported that 21 of the 22 plans on the exchange that you go to -- these low-cost exchanges -- have deductibles of $8,000 or more per family.

People don't consider that a low cost when people are losing good private sector health care that they have. You're hearing, of course, promises the president quoted -- this get -- really gets on the conversation we're having today.

This is the president's quote: "Just visit healthcare.gov and there you can compare insurance plans side by side the same way you'd shop for a plane ticket on Kayak or a TV on Amazon."

Now, while you all were testifying, I went on Amazon and looked -- looked for a TV. Within one minute, I had over 300,000 options of TVs that I could purchase. And they were all (ph) low-cost TVs, too.

I tried to go on healthcare.gov and register. I spent -- this was earlier this week -- I spent more than two hours -- probably had an experience similar to Mr. Slavitt -- was kicked out four times, had to reenter data multiple times, was given blank screens a number of times; ultimately, never even got to a point where I could see health care plans -- where I could compare, as president promised, side by side, just like you look for a TV on Amazon.

It's not the experience you get when most people go online and purchase products. And this isn't just any product -- this is a product that the federal government said you have to buy, by law, or else you get fined.

And the other side wants to mock us because we're asking for at least a delay of the fine while people can't even go to the website that doesn't work.

I used to program computers for a living. I understand how you design systems -- big systems, small systems -- I understand how you design test plans. I actually wrote test plans for systems.

And you would test the system; you would do all-nighters until the system worked and you wouldn't deploy it until it worked. And clearly, that didn't happen in this case.

So, I want to ask, first of all, you all said that you track error logs. If I can ask down the line, starting with Ms. Campbell, how many error logs -- have many errors have you logged since you've been tracking the errors of the system, Ms. Campbell?

CAMPBELL:

I -- I don't have that information, but (inaudible)...

SCALISE:

Can you get that to the committee?

Mr. Slavitt?

SLAVITT:

I don't have that with me.

SCALISE:

Ms. Spellecy?

SPELLECY:

I have to get back to you for the record.

SCALISE:

Mr. Lau?

LAU:

We really don't have access to that system.

SCALISE:

All right. We need to get those numbers. Clearly, there are many.

Mr. Slavitt, you said that, in your testimony, that there was a late decision requiring consumers to register for an account before they could browse. Early off, it was promised that people would be able to go to website and just shop around -- look for a site.

If you like what you -- if you like something you find, you go buy it, like anything else you buy online. You don't have to give hours and hours of personal data and social security numbers before you buy a product; your company would go out of business.

You said that there was a late decision made to change the system so that you have to give all the personal information before you can even shop around. Who made that late decision?

SLAVITT:

We don't who made the decision and we don't know when.

SCALISE:

Ms. Campbell, do you know who made that late decision -- was that CMS?

CAMPBELL:

It was CMS who made that...

SCALISE:

You know who at CMS made that decision?

CAMPBELL:

We don't have full knowledge of exactly the full chain of...

SCALISE:

CMS made a decision. How late in the game did they make that decision to change a drastic system like this?

CAMPBELL:

For -- for CGI, they asked us to turn that flag off -- or functionality off at two weeks before go-live.

SCALISE:

Two weeks before going live. So, they made a dramatic change to the system just two weeks before going live. Nobody would've done that in a private sector -- to make that kind of change to a system.

Let me ask you this -- because all of you were paid lots of money to do this. It's been reported over $500 million of taxpayer money spent to build this website.

More money, by the way, than it cost to build Facebook. Facebook gets 700 million users a day -- 700 people -- use that -- million people use that site every day and it works. For the first five years, they didn't spend $500 million.

Did you -- did you deliver -- and I'll go down the line -- did you deliver the product that you were contracted to build, Ms. Campbell?

CAMPBELL:

We have.

SCALISE:

Mr. Slavitt?

SLAVITT:

For the -- the...

SCALISE:

Did you deliver the project -- did you deliver the...

SLAVITT:

Yes.

SCALISE:

The product that you were contracted?

SLAVITT:

Yes.

SCALISE:

Ms. Spellecy?

SPELLECY:

Yes.

SCALISE:

Mr. Lau?

LAU:

Yes.

SCALISE:

You know, there's a saying in computer programming, "garbage in, garbage out." If you're given a bad product to build, then ultimately what you'll deliver is a bad product.

The focus is not just going to be on the failed Web site. Clearly, there's some serious questions that need to be answered. All the taxpayer money that was spent to build a site that people can't even go on and use, and then ultimately, if they're able to get through, they're finding the prices are dramatically higher.

This will not mask the fact that the law fails in general.

You wonder why we're calling for a delay of the implementation of this law, delay of the fines that people will have to pay if they can't even use the Web site.

(CROSSTALK)

SCALISE:

Fifty percent of you who said you went to the Web site said you had a failure rate. You built the site.

(CROSSTALK)

UPTON (?):

The gentleman's -- the gentleman's time has expired.

SCALISE:

I yield back the balance of my time.

UPTON (?):

Mr. Sarbanes?

SARBANES:

Thank you, Mr. Chairman.

Thank the panel.

This is an important hearing. There's two stories that have unfolded in the last three weeks. One of them clearly is the problems with this Web site that need to be fixed. And I'm gonna ask some questions about that in a minute.

But the other story is the incredible demand and interest that Americans have in accessing this new opportunity for affordable health care.

We saw it in the demand that came in on the federal exchange, which outstripped all the projections that people had for it. We've seen it in the state level exchanges, the state-run exchanges, where there's been a lot of success in terms of people coming there, browsing, applying for coverage, enrolling in coverage.

And that story continues. That's the reason that we have to fix this.

In other words, if there was no interest out there, if there was no demand, and you had a Web site that wasn't working very well, you could say, "Well, maybe we don't need to fix this thing."

But people really want this opportunity. That's -- that's the bigger story. The bigger story is that people want to access affordable health care coverage, and they're coming to these sites. So we have to fix it.

That's why you keep hearing this refrain on our side of "fix it, don't nix it."

Now, let me ask you this. I assume that you've been involved, all of you, in big projects of this kind. This may be particularly complex, I get that. But I'm sure you've had the experience where you went to, you know, you pulled the switch on a go-live situation, and it didn't work out exactly as you expected.

Ms. Campbell, when that happens, I imagine CGI doesn't just sort of bury its head in the sand and give up, but you get -- get about the business of fixing the thing so it can function properly. Correct?

CAMPBELL:

That's correct. It's a normal course of what happens when a system goes into production.

SARBANES:

Absolutely.

And, Mr. Slavitt, I assume that if you encounter difficulties when you -- when you go live with a product, you don't light your hair on fire and run around in small circles. You get about the business of fixing. Right?

SLAVITT:

Yeah, that's correct.

SARBANES:

In fact, you did that in this instance, from what I understand. Right?

SLAVITT:

That's correct.

SARBANES:

And got some of the issues that were presented fixed in fairly short order.

So, I mean, you know, you're -- you're professionals, you do this for a living. You understand we've got some problems here that need to be addressed. You're getting about the business of fixing them. And you're doing that because this is a -- this is a platform that Americans need in order to access health care coverage.

Let me ask you another question. Do you have any reason to think that the problems with the Web site that we've been talking about today in any way are affecting the quality of the underlying product that's being sold, in other words, the plan options that are out there and so forth?

And is there -- is there any reason for us to conclude that because somebody's having problems accessing an enrollment or doing an application because of the Web site that that's somehow a commentary on the underlying product that ultimately they're trying to access?

Ms. Campbell?

CAMPBELL:

No. With 4,400 plans for people across -- in the -- within the 36 states that can apply, I would say that the -- that the plans are there for people to be able to shop.

SARBANES:

Mr. Slavitt?

SLAVITT:

No, I wouldn't conclude that.

SARBANES:

Ms. Spellecy?

SPELLECY:

No.

SARBANES:

Mr. Lau?

LAU:

No.

SARBANES:

And, in fact, the reports we're getting about the underlying product, the plan that people are gonna have access to, the options that are available to them, that they're -- they're good- quality product. and that they're gonna be available at very reasonable premiums, which is exactly, again, what people are looking for here.

And certainly, there's no suggestion that problems with the Web site are at some point gonna mean that an enrolled beneficiary is gonna have an issue accessing their doctor or accessing the hospital or anything like that. So the product is good.

The Web site needs to be fixed to make sure that we can get that product to people. That's what you're engaged in now. And that's why we have to fix it, not nix it, when it comes to this health care Web site.

With that, I yield back my time.

UPTON (?):

Mr. Latta?

LATTA:

Thank you very much, Mr. Chairman.

And thank you very much for our witnesses for being here today. Greatly appreciate your testimony.

And last night, I read through all of your statements beforehand. And, if I could, because there's been a lot of questioning, of course, about -- on the testing site.

And, Ms. Campbell, if I could turn to your testimony. On page two, you said in recent years that CGI Federal has delivered some of the most complex I.T. implementation to the U.S. government, including federalreporting.gov and Medicare.gov.

And we've heard from you all saying that you only -- you only had at the very end about two weeks to really make sure this thing was integrated. When you were working on, let's just say, for example, Medicare.gov, how much testing did you do on that? Did they give you a time frame, or what can you tell me about that

testing at that time?

CAMPBELL:

I'm sorry, I can't give you the exact time frames, but we had -- we had sufficient time to test the system before it went live.

LATTA:

OK. Could you tell me what sufficient time is?

CAMPBELL:

So, we had, you know, a number of months before the system went live.

LATTA:

OK, if you could, by tomorrow morning at 9 o'clock, we'd -- I'd like to get that information from you, to find out exactly how much time you did specifically have to test that system.

What about on federalreporting.gov? How much time did you -- were you given to test that system?

CAMPBELL:

I'd have to get back to you. That wasn't in my -- my area.

LATTA:

We'd like to have that by 9 o'clock in the morning too, tomorrow morning. So we can get that information.

And I think I heard this earlier, is healthcare.gov the most complicated of the systems that you've created?

CAMPBELL:

It is by far, for our country, the most -- one of the most complicated large-scale systems that is out there.

LATTA:

OK. So what you're just telling me, you've had months versus a couple of weeks to do that testing.

And, let me ask you this. Did they -- when Medicare.gov or federalreporting.gov -- you -- are you able to, especially on the Medicare side, because you say in your testimony, "which successfully helps more than 50 (ph) million U.S. citizens compare health and drug plans each year," is it set up the same way that healthcare.gov is, that you first have to register before you can browse, or can you browse (inaudible) and get what you need?

CAMPBELL:

You can browse first.

LATTA:

OK. Now, why would those two systems be different then, that you'd have -- any -- any reason that was given to you by CMS or HHS that they wanted it reversed? Since the one system seemed to be working?

CAMPBELL:

I do not. CMS, I guess had to -- speculation, a number of priorities, and maybe that wasn't one of the priorities.

LATTA:

OK.

Mr. Slavitt, if I could ask a couple of questions in your testimony. Again, I found -- I found all your testimony all very interesting. And it's been talked about a little bit before, but, you know, in your testimony you stated on page four that it appears one of the reasons for the high concurrent volume at the registrations was a late decision requiring consumers to register for an account before they could browse for the insurance product. Again, whose decision was that?

SLAVITT:

We don't know.

LATTA:

You don't -- you don't know whose decision that was? How did you get the information you were supposed to do that?

SLAVITT:

I'm sorry, can you repeat that?

LATTA:

How did you get the information that you were supposed to switch things around like that, then?

SLAVITT:

One of the testers in our company that was responsible for testing the CGI software code was notified that there was code they no longer needed to test.

LATTA:

OK. Well, if we could also by 9 o'clock tomorrow morning get the name of the individual from CMS that asked for that, we'd appreciate that.

Going on in your -- following up a little bit on your -- your testimony on page four -- again, it goes back -- it says, "In our role as tester, we were tasked with identifying errors in the code that was provided to us by others.

"We reported the results back to CMS and the relevant contractor who was in turn responsible for fixing the coding errors or making the necessary -- any necessary changes."

Do you know who that was back at CMS that you were supposed to report back to?

SLAVITT:

I don't.

LATTA:

OK, if we could get that by 9:00 tomorrow morning.

Do you know who that relevant contractor was that you were also supposed to be getting that information to?

SLAVITT:

CGI.

LATTA:

I beg your pardon?

SLAVITT:

CGI.

LATTA:

All right.

And when you submitted -- when you submitted that information back to CGI, did you hear back from them? Or -- what happened with that information that you sent them?

SLAVITT:

So I don't know what happened in every case. But what typically happens is we submit the results back and then the other contractor is responsible for making those changes.

LATTA:

Thank you very much, Mr. Chairman. I see my time has expired.

Thank you. I yield back.

WAXMAN (?):

Parliamentary inquiry, Mr. Chairman.

UPTON:

Yes? Are you asking for a second round already?

WAXMAN:

Congressman Rush and I have sent around 40 letters to you requesting a hearing on climate change, and we haven't gotten any responses.

UPTON:

We had one.

WAXMAN:

We'd like to have a response by 9 a.m. tomorrow morning.

(LAUGHTER)

Suddenly people have made up the idea that 9 a.m. tomorrow morning is some kind of deadline. That's -- you could say it. It doesn't mean it happens.

Thank you.

(CROSSTALK)

WAXMAN:

I'll withdraw my parliamentary inquiry.

UPTON:

All right.

The chair recognizes the gentleman from California, Mr. McNerney.

MCNERNEY:

Mr. Chairman, I'd like to ask if I could postpone my questioning for another...

(CROSSTALK)

UPTON:

Sure.

Mr. Lance?

LANCE:

Thank you very much.

And to the panel, the September 10th hearing in the (ph) subcommittee, the Health Subcommittee, where you testified, Ms. Campbell, and your company testified, Mr. Slavitt, if you had the opportunity now, would you in any way amend the testimony you gave at -- at that time?

CAMPBELL:

No, my testimony was fine. I would not change anything based on what I knew at that point in time.

LANCE:

Did you know at that time that there was no end-to-end testing?

CAMPBELL:

I knew that that was something that was forthcoming.

LANCE:

So you knew at that time that there was no end-to-end testing as of that date?

CAMPBELL:

It was not our area of responsibility for end-to-end testing (ph)?

LANCE:

Do you believe you had a responsibility to tell the subcommittee that at that time there was no end-to-end testing?

CAMPBELL:

I don't believe that question came up, sir.

LANCE:

I suspect that's the case. The question did not come up. This is not a game of cat and mouse. This is the people of the United States, one of the most important proposals of the Obama administration. I'm sure that question did not come up.

In your other activities with other entities, you have testified that there was always end-to-end testing. Is that accurate, Ms. Campbell?

CAMPBELL:

That end-to-end testing is -- is a component of...

(CROSSTALK)

LANCE:

Yes, yes.

CAMPBELL:

... before a system goes live.

LANCE:

And you do not believe that you had a responsibility to indicate that end-to-end testing had not yet occurred with 20 days to go?

CAMPBELL:

It was our client's responsibility for end-to-end testing, sir.

LANCE:

Mr. Slavitt, would you respond to -- to me on that issue?

SLAVITT:

We wouldn't amend our testimony. We testified accurately to the delivery of the data services hub.

LANCE:

Do you believe that you had a responsibility affirmatively to indicate that no end-to-end testing had yet to occur?

SLAVITT:

Sir, I believe on September 10th we were expecting to receive the code that would allow the end-to-end testing to occur.

LANCE:

So you are of the opinion that there would be end-to-end testing between September 10th and September 30th?

SLAVITT:

That was our expectation.

LANCE:

In your experience with other clients, does end-to-end testing occur before 20 days to go?

SLAVITT:

Each project is different. I can't comment, Congressman.

LANCE:

On another large project in which you were involved, is it usual that end-to-end testing occurs long before the last 2 1/2 weeks?

SLAVITT:

We would -- we would certainly have liked to see as much time as possible for end-to-end testing.

LANCE:

Would you suggest that this be delayed for three months or six months, given the experience so far regarding the individual mandate?

SLAVITT:

No, I wouldn't have the information to make that determination.

LANCE:

So you don't know...

(CROSSTALK)

SLAVITT:

... don't know.

LANCE:

... have an opinion. Do you have an opinion, Ms. Campbell?

CAMPBELL:

I can tell you that I have a team of people working 24 hours a day to make these corrections that are needed to -- to continue moving forward.

LANCE:

I'm -- I'm sure you do, and I certainly respect that.

On the risk involved in change orders, this impresses me as being serious. Mr. Slavitt, regarding that, did you perceive a significant chance that there would be a huge problem because of the change orders with

which you were involved?

SLAVITT:

We didn't really see significant change orders on the data services hub that I'm aware of.

LANCE:

Ms. Campbell, regarding the change orders, the risk associated with that, you received several change orders, I believe you testified -- six or eight of them. Did you perceive a significant risk in that regard?

CAMPBELL:

We did not.

LANCE:

You did not think there would be a significant risk?

CAMPBELL:

No. Over time -- these change orders occurred over a two-year time period.

LANCE:

Some have commented that much of the problem exists because CMM (ph) decided to do its own in-house analysis, equivalent to someone who had never hung a picture deciding that he would become his own general contractor, instead of subcontracting the responsibility for integrating the software of the multiple contractors.

Do you agree that CMS should have hired a contractor in that regard, Ms. Campbell?

CAMPBELL:

I've seen it both ways where the government has taken that job, and -- and quite often they would bring in a separate contractor to do -- to do...

(CROSSTALK)

LANCE:

In many cases a separate contractor would be brought in.

Mr. Slavitt?

SLAVITT:

I don't know.

LANCE:

You don't know.

In my opinion, I think in the history of working with complicated I.T. systems, it's difficult to see that there was a more incompetent systems integrator. Do you have an opinion on that, Ms. Campbell?

CAMPBELL:

I have no opinion on that.

LANCE:

Mr. Slavitt?

SLAVITT:

I don't.

LANCE:

Thank you, Mr. Chairman.

UPTON (?):

Mr. McNerney?

MCNERNEY:

Sorry, Mr. Chairman, I'm not ready yet.

UPTON (?):

OK.

Mr. Guthrie?

GUTHRIE:

Thank you, Mr. Chairman.

Thank you for testifying today.

A lot of people don't realize, because it didn't get out in the public like I think it should have, before the government shutdown of September the 30th almost every Republican, I think all but one, voted to fund the government, to fund the health care bill at the sequester level, and only asked to -- to get rid of the individual mandate for a -- delay it for a year. Because as businesses and other people have been treated with waivers and special delays, we thought the hardworking taxpayers deserved -- because we didn't think a product was gonna be ready for them to purchase. And it turned out on October 1st it wasn't.

So we wouldn't even had the government shutdown if -- if we had people agree to give hardworking taxpayers the same treatment they gave businesses -- because the IRS wasn't ready to enforce that.

Having said that, people say there are other alternatives, and so we have good -- good people in the great commonwealth of Kentucky working for Mr. Lau who will take paper applications. So there's -- so there's the argument, well, they can buy if they do paper applications. So how -- you said you take the applications and enter the data? Where do you enter the data?

LAU:

Into the portal.

GUTHRIE:

The same portal that is having trouble being accessed online?

LAU:

That's correct.

GUTHRIE:

So even if people get frustrated -- because I was watching my good friend here most of the morning try to get online. I think you've been kicked out four times since we've been sitting here as of today. You're gonna take that information and enter it into the same data -- so maybe you're making it easier.

Do you have a special portal to get in or do you have to deal with the same kind of problems that he's been dealing with?

LAU:

The difference for us is that we don't have to establish an account. So our landing page on the portal is behind that.

GUTHRIE:

(inaudible) you have to have an account for the people that you're entering, right?

LAU:

Well, in the initial days you had to sign up. That's what we had been talking about before, establish an account before you could do an application. So for us we just bypass the account establishment and begin keying in the data for the application.

GUTHRIE:

OK. And that's what I want to get to. I'm glad you said that.

And so when the president and Secretary Sebelius advised Americans to submit paper applications if they're

having problems with the website, they still have to go to the same portal.

Now, we've been talking about entrance into the portal, the front door I think we talked about a few times. But also, Ms. Campbell, I know, to quote The Washington Post, quote, "about a month before the exchange opened a tested group of insurers urged agency officials not to launch." So when you had -- that's according to The Washington Post -- unquote. So you had a test about a month before the exchange opened (inaudible) CGI provides that information. Were you involved with the testing with insurers? Was CGI, you particularly? Was CGI involved with the testing with insurers?

CAMPBELL:

I understand. So we do test with a set of insurers who -- to make sure that obviously we -- before we go live that the -- that our system is -- is working appropriately.

GUTHRIE:

Did they recommend that you weren't ready to go live?

CAMPBELL:

They did not recommend that to -- to my knowledge -- let me preface that -- to my knowledge the insurers did not recommend that directly to CGI.

GUTHRIE:

Do you know if they recommended it to HHS?

CAMPBELL:

I do not know.

GUTHRIE:

You don't know if they did that or not?

CAMPBELL:

I do not know.

GUTHRIE:

Did -- did HHS share that information with you that they weren't ready to go live?

CAMPBELL:

Not that I'm aware of.

GUTHRIE:

So you're not aware this test took place with insurers?

CAMPBELL:

I'm sorry.

GUTHRIE:

CGI was not aware that this test took place with insurers a month before?

CAMPBELL:

I didn't say that. I said, you know, to my knowledge, I'm not aware that the insurers provided feedback to CGI or to -- or to CMS or HHS on their...

(CROSSTALK)

GUTHRIE:

Did y'all discover errors during that test with insurance? Problems with the system?

CAMPBELL:

You know, the purpose of tests, the nature of tests is that it's there to find...

GUTHRIE:

Find the problems? And you're able to fix?

CAMPBELL:

Issues that you have so that you can have an opportunity to correct those issues.

GUTHRIE:

Because there's two reports in the weeks before the start, there's -- there's two reports and news that insurers are saying there's missing data, duplicate applications enrollments, incorrect data and applications and missing data that's still taking place, or at least it was reported last week in the news. Is that still taking place?

CAMPBELL:

When we receive what we call a -- they call it a -- a trouble ticket, or a defect ticket, or an issue ticket, that -- then we are in the process of making corrections and then when we do the next build, we make corrections to the system, so there could be -- there could have been a point in time where there were duplicative insurance forms and things of that sort, or duplicate information, and we would have made corrections. Now where we are in that process at the very moment, I'd have to -- I don't -- I don't have the answers.

GUTHRIE:

My point is, (inaudible), we wouldn't have had the government shutdown, believe it or not, and I know that didn't get out in the news, if we would have done the individual mandate delay. We didn't say get rid of the exchanges, get rid of what you were doing, not go live the next morning, just not mandate people buy a product they can't buy. And so my point that I'm trying to make here is that there are other issues. It's not just not being able to get on the website. It's -- it's making the exchanges work, and -- and, you know, it's -- it's -- it's hard to believe that if that report is true, HHS didn't tell you that they're having trouble between, or that they've been a delay, and -- and, you know, it's -- it's concerning that -- that those tests are taking place as has been reported in the media, but it doesn't seem to get -- gotten to CGI from HHS, so my time's expired. I yield back.

UPTON:

The gentleman's time is expired.

I -- I would note that we've been at this for three and a half hours. Would the panel, would any of you like a five-minute break? I see some nods, so why don't we take a five-minute break. When we resume, we'll -- we'll come to Mr. McNerney, OK?

(RECESS)

UPTON:

OK, Mr. McNerney, you're recognized for five minutes.

MCNERNEY:

Well thank you, Mr. Chairman. I thank the witnesses for a long and grueling hearing this morning. First of all, I want to say I really don't blame my Republican colleagues for trying to change the subject from the costly and reckless government shutdown, and the irresponsible threat that involves our nation's credit by focusing on a temporary short-term failing of our healthcare.gov website. Good job.

My first question regards software development. I was a software developer before coming to Congress, and the healthcare.gov is a very big project. It's got a lot of moving parts to it. Any large project, including software, needs an orchestrator to coordinate all the moving parts and make sure that things are fitting together well. Who was that, or what organization was that orchestrator for this project? Mrs. Campbell, you seem to be in the best position to answer that question?

CAMPBELL:

Yes, that would be CMS.

MCNERNEY:

CMS.

CAMPBELL:

Yes.

MCNERNEY:

OK, and there was a specific person at CMS or was it a team of people at CMS?

CAMPBELL:

It was a team of individuals.

MCNERNEY:

Well, did the orchestrator, and this is a question for all four of you, create adequate specifications for the software, including the language? Now when you have a software project that has moving parts or different parts, you want input and output specifications, you want what the -- what the individual parts are supposed to do. Were there sufficient, adequate specifications for your team to do their job in the time that was allowed?

CAMPBELL:

So we were receiving requirements through the April- May time frame, and -- and then some requirements...

(CROSSTALK)

MCNERNEY:

Requirements?

CAMPBELL:

Yes.

MCNERNEY:

Were they formal specifications that could be used?

CAMPBELL:

They were use cases and things of that sort.

MCNERNEY:

Mr. Slavitt, would you like to answer that?

SLAVITT:

We believe we received appropriate specifications.

MCNERNEY:

Miss Spellecy?

SPELLECY:

We received sufficient specifications to integrate our -- our part of the solution.

MCNERNEY:

Mr. Lau?

LAU:

We had no role in the system development.

MCNERNEY:

So what you're all, I hear, unanimously, is that there were adequate specifications, and yet, the -- the software wasn't finished in time. Did the specifications include testing requirements that you received? Mrs. Campbell?

CAMPBELL:

So there -- we did testing on -- on our code, but there was also independent testing that was done as well.

MCNERNEY:

Were they specified? Were the tests specified prior to the development of the software?

CAMPBELL:

Not prior to developing the software, but there were -- there were test scripts that were developed during the process.

MCNERNEY:

Well then, maybe there wasn't sufficient time. I -- I mean, from my point of view as a distant observer, either the specifications weren't adequate, they weren't delivered in time, or the software wasn't developed according to the specifications. Which one of those three is the problem?

CAMPBELL:

I would -- I would say with a system this complicated and -- and level of moving parts, it's probably a little bit of all aspects of all three. There are things in our codes that actually we would like to improve on for sure. There are specifications that would have been better served if they had been more -- more detailed, and if given more time, I think we would have been able to, across the board, and once again, end-to-end testing on the part of CMS and integration on the part of CMS, but, you know, given the -- the luxury of time and I think we all recognize that one never gets, no matter how great the system is, no one ever gets enough time for testing. But...

(CROSSTALK)

MCNERNEY:

Well software's particularly difficult to estimate the time needed. When I was in developing software, if you

told your manager you would take two weeks, he would double that and then go to the next bigger time frame, two months, so he would estimate a four- month time frame if you gave him two weeks, so time is always of the essence in software, especially since it's so error-prone. And -- and I guess there were -- there were political hindrances regarding the amount of time that was allowed, and -- and there were structural issues and I do believe that this is going to be fixed, but it's been painful and we need to make sure that the American people have access to a decent health care website before December 15th. And if that doesn't happen, there's going to be more difficult hearings like this. Thank you.

CAMPBELL:

Thank you, sir.

UPTON:

Mr. Olson?

OLSON:

I thank the chair. And I want to sincerely welcome and thank the witnesses, Ms. Campbell, Mr. Slavitt, Ms. Spellecy and Mr. Lau, for appearing before this committee this morning and now this afternoon.

And my guess is, you might be a little nervous, somewhat tired because this has gone on for almost four hours. You probably haven't got a lot of sleep the past couple weeks, and you're probably a little angry because the Commander in Chief, the skipper of Obamacare, our President, does not understand that the skipper is responsible for everything that happens on his ship. The good, and the bad. And as we've seen here this morning, there's a major league blame game going on within the administration, and y'all unfortunately are the targets of some of that blame.

And I'm damn angry that I, and 700,000 Texans I represent, have been misled, misled, and misled. In this room, one month ago, the Health and Human Services Deputy Administrator for Consumer Information opened up his testimony by saying, and I quote, "CMS has worked hard to build, refine, and test the infrastructure that will allow Americans to enroll in coverage confidently, simply, and securely," end quote. We now know that that was one big fat lie.

And I proved it this morning, when Chairman Upton gaveled in this hearing about 9 o'clock, I logged onto healthcare.com to try to enroll my family in my health care plan. I e-mailed Mr. Slavitt, and my colleague Michael Burgess. I tried to get on Texas' plan. And while I got my e-mail back, my confirmation, I got this after 41 minutes. "Please log in again. You're logged out now. Return to your marketplace account here." That's happening all over the country.

OLSON:

And this lie is way beyond an awful computer program. This lie affects the health and well-being of every American. And my question will be about the testing that was done to get to this point. And I want to follow up on some of the questions from one of my colleagues.

And this is mostly for you, Ms. Campbell, and you, Mr. Slavitt. Being a computer science major from Rice University and a former Naval aviator who could not afford to have my computer drop off-line as I'm rolling in my plane to drop a torpedo to stop a Russian submarine from launching a ballistic missile, a nuclear missile at our country, I know that that system is pushed and pushed and pushed and pushed and tested to fail.

My goal is that CGI and QSSI take these steps, push, push, push, and test your part to failure.

CAMPBELL:

First of all, sir, you must be in my household. My husband too was a Naval aviator.

OLSON:

Fly Navy!

CAMPBELL:

But we worked tirelessly around the clock to make sure that we were doing everything we could to make -- that the product that we delivered on October 1st. We're not excited, nor are we pleased with what we delivered on October 1st.

But in principle it worked. It's not working great. And we're working to improve it. But it did enroll -- it is enrolling people.

OLSON:

Mr. Slavitt, how about you, sir? Push, push, push, make sure all the variables, best you could do?

SLAVITT:

We do believe the data services received adequate testing.

OLSON:

Great. And so any idea what happened? Your part was working pretty well, Ms. Campbell. You, Mr. Slavitt, as well. Somehow CMS got it, the product that came out fell apart. Any idea what happened there?

CAMPBELL:

You'd have to ask CMS.

OLSON:

And I plan on doing that. Mr. Slavitt, any idea?

SLAVITT:

As I said a little bit earlier, the system didn't receive adequate end-to-end testing, and we took those results -- those results were made available and I think were made aware those results, CMS.

OLSON:

So like both of you all, you push the envelope, they just hit the on button, saw the light came on and said, this thing works. OK. A little facetious there.

I want to close by asking a rhetorical question of all four of you all. If you were the president of the United States and you woke up on September 30th this past year, knowing what you know, would you have rolled out the exchange on October 1st?

Ms. Campbell?

CAMPBELL:

I can't begin to answer that question.

OLSON:

No?

SLAVITT:

I don't know what flexibility existed to change the dates.

OLSON:

Not the dates but the program. Could you have stopped it? You know the problems, you guys know the problems. Would you have stopped it?

SLAVITT:

Yes, I don't know.

OLSON:

OK.

SPELLECY:

I can't answer that.

OLSON:

Can't answer that one. This is rhetorical, guys.

LAU:

I'm not in a position really to answer that one.

OLSON:

Oh, come on, fellows, (inaudible) people in the audience, they would have all sorts of opinions on that.

I yield back the balance of my time, thank you.

UPTON:

The gentleman's time has expired.

Mr. Gardner.

GARDNER:

Thank you, Mr. Chairman. And thank you to the witnesses as well for joining us today and talking about this very important issue.

You know, I take this personally. This is a very serious issue for me, thousands of my constituents, millions of Americans. The president made a simple promise to all of our country. He said two things. If you like your health care plan, you'll get to keep your health care plan, period. And this will lower the cost of health care.

But you know what? In August my wife and I, we got a letter that said our health insurance plan had been canceled. We decided to not join the Federal Employee Health Benefits plan. We got our own private insurance plan because I wanted to be in the same boat as my constituents in Colorado.

And yet despite the president's promise to me, to thousands of Coloradans, to millions of Americans, those insurance plans are being canceled. And they're being told they have to buy insurance through a Web site that doesn't work.

The denial of this debacle is incredible. It's like trying to watch "The Three Stooges" in HD and expecting it to work. But that's exactly what we are seeing here.

So to follow up on a couple of the questions, and we've seen the president on TV trying to apologize to the American people for this disaster. And he said -- the administration announced this week that the best and brightest are coming in to fix healthcare.gov but they won't say who they are.

So, Ms. Campbell, who are these best and brightest that are coming in to fix this Web site?

CAMPBELL:

So, first of all, CGI has some of the best and brightest. So I just want too make sure that that's on the record. We make sure that we hire...

GARDNER:

Ms. Campbell, who are the best and brightest that have been invited by the White House to fix this problem?

CAMPBELL:

I don't have individuals by name. We...

GARDNER:

What companies are they? Who built the Web site? You built the Web site, correct? You built the Web site?

CAMPBELL:

We build the application...

(CROSSTALK)

GARDNER:

So who is coming in to fix the Web site now?

CAMPBELL:

So, advisers, not...

(CROSSTALK)

GARDNER:

Who are the advisers?

CAMPBELL:

I don't have names. I can get back to you...

GARDNER:

Where are they from?

CAMPBELL:

... with their names.

(CROSSTALK)

GARDNER:

Who do they work for?

CAMPBELL:

They have small businesses on their own...

(CROSSTALK)

GARDNER:

So this decision was announced early in the week and you don't know who the best and brightest are that are coming to fix this mess?

CAMPBELL:

I don't have them by name, sir.

GARDNER:

Well, who are they by company?

CAMPBELL:

I will get back to you with names.

GARDNER:

Could you get back to me by tomorrow?

CAMPBELL:

I will do my best.

GARDNER:

So the president of the United States has said that these are the best and the brightest, and you don't know what organization -- are they being paid?

CAMPBELL:

Sir, give me an opportunity to get back to you with that information.

GARDNER:

But you don't know if they're being paid.

CAMPBELL:

If they're there as a support person to CGI, they would be paid under our contract.

GARDNER:

Well, if they're there as a support person with CGI, I assume you know who they are.

CAMPBELL:

Sir, I don't have them by name. I just don't have that...

(CROSSTALK)

GARDNER:

QSSI, do you know who these best and brightest are that are coming in to fix this mess?

SLAVITT:

No.

GARDNER:

So, are you still consulting with CMS on this?

SLAVITT:

I'm just not familiar with the situation.

GARDNER:

Ms. Campbell, with the president, you're still consulting, you're still in charge. Are you the systems integrator still or is CMS?

CAMPBELL:

Sir, we have never been the systems integrator and we are not the systems integrator.

GARDNER:

So who is in charge as systems integrator?

CAMPBELL:

CMS is responsible for end-to-end.

GARDNER:

OK. So they're responsible for end-to-end. Then that brings me to another question. To Mr. Scalise, you had said that CMS asked to you turn off browsing two weeks before October 1st. Does that mean that you originally built a browse-able Web site?

CAMPBELL:

That is correct.

GARDNER:

Why can't you just turn that on?

CAMPBELL:

One, we've not been asked to turn it on. Now the system has gone live, it's not -- well, we can turn it on...

GARDNER:

So that taxpayers...

CAMPBELL:

... it would have to be tested...

GARDNER:

... paid for this...

CAMPBELL:

It would have to be tested and make sure that now it's in a live environment...

GARDNER:

Tested just like the other Web site wasn't tested?

CAMPBELL:

I wouldn't say that it wasn't tested, sir.

GARDNER:

No end-to-end testing.

CAMPBELL:

I didn't say that there was no end-to-end testing. I said CGI...

GARDNER:

Inadequate end-to-end testing.

CAMPBELL:

... didn't do end-to-end testing.

GARDNER:

So the taxpayers paid then for a browse-able Web site. Is that correct?

CAMPBELL:

Yes.

GARDNER:

Why can't you turn that on?

CAMPBELL:

If given the instructions by CMS, we would be more than happy to turn it on.

GARDNER:

Why is CMS -- tell us what the -- do you know what the cost of that was?

CAMPBELL:

I can't tell you the exact cost of that particular component. It's part of the...

(CROSSTALK)

GARDNER:

Can you get back to me as soon as possible the cost of the browse-able website that was built that is no longer in use or not being used, was asked to be turned off?

CAMPBELL:

Sir, we were under contract to provide an application that happens to be one of the features of that application. We did not price it out as one particular component by itself.

GARDNER:

Well, it's clear to me the reason why two weeks before October 1st happened, this browse-able Website was turned off to hide the costs, the true costs, that the American people are paying. Because if it was a browse-able Web site that we built, the taxpayers paid for, those real costs, the true costs, the up-front costs would be visible to the American people.

CMS made a determination, a decision, that they would turn off, two weeks before October 1st, the browse-able Web site to hide the real cost of Obamacare from the American people.

With that, Mr. Chairman, I yield back my time.

UPTON:

The gentleman yields back.

Mr. Kinzinger.

KINZINGER:

Thank you, Mr. Chairman. And, again, thank you all for being here. It's a long day, I know. But we appreciate

you being present.

I want to kind of narrow in on another issue that hasn't really been too much discussed and that's the Web site that's sending insurers bad information: multiple enrollments, cancellations for the person, and forms containing gibberish that are showing up at the insurance side of it.

This could continue to be a problem even if functionality and other areas of the Web site improve. In fact, it could become a larger problem because now so few applicants are actually getting to the insurers that they're able to be reviewed individually.

Taking this to scale might cause significant problems once people en masse start signing up.

I'll ask you, Ms. Campbell, most news reporting has focused on front-end problems with the federal exchange. I'd like to ask a few questions about some troubling rainstorms that I'm hearing.

We hear there could be even bigger issues at end of the system, at the end processes of the system. Both The Washington Post and The Wall Street Journal have reported that insurers are receiving error- ridden 834s.

And from what I understand, an 834 is essentially an electronic transmission form that lets insurers know who signed up for their product on healthcare.gov. So reports indicate that one insurer got an 834 with three spouses listed on it. Have you identified the specific problem, and how widespread is it, what's causing it?

CAMPBELL:

Thank you for that question.

We have uncovered a number of those scenarios, not significant, but a number of those scenarios, and we are in the process of making corrections.

Some of -- most of them are isolated, they're not across the board for all insurers -- all insurers.

So we are working in -- in solving those as they come to our attention.

KINZINGER:

So you say -- you're saying that they're not very widespread? It's an occasional thing, basically?
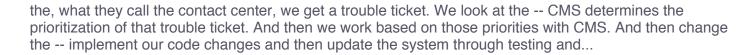
CAMPBELL:

It is -- it is more isolated than -- than widespread.

KINZINGER:

And, specifically, what steps are you taking to address that?

CAMPBELL:

So, it's normal -- it's part of our normal defect build process, right? So when a -- when that issue comes into

the, what they call the contact center, we get a trouble ticket. We look at the -- CMS determines the prioritization of that trouble ticket. And then we work based on those priorities with CMS. And then change the -- implement our code changes and then update the system through testing and...

(CROSSTALK)

KINZINGER:

So, are you taking steps to guarantee -- here's a concern. Let's say somebody enrolls in December, thinks they're enrolled. Maybe the trouble ticket happened or the 834, or something got messed up, and so, on January 1st, they wake up and find out they actually did not enroll, when, in fact, they thought they did.

Is that a concern that you have that may be addressed in trying to rectify this problem?

CAMPBELL:

We are -- we are tracking when someone enrolls that there is -- that they actually enrolled, that there is a direct correlation to making sure that there's an 834 attached to that particular transaction, to try and mitigate those things from happening.

KINZINGER:

OK. Yeah. Some industry analysts are saying that healthcare.gov's other problems have disguised the issue, if applicants were being able to sign up easily, but the 834 forms were coming in with this many errors, the results could potentially be disastrous.

And just to drill down a little bit more, reports indicate that dependents are being incorrectly coded as spouses. Have you identified that specific problem as part of the overall issue?

CAMPBELL:

That one I've not heard. It doesn't mean it doesn't -- it's not in our queue, but it's not one that I'm aware of directly.

KINZINGER:

And would you be able to -- I know you have a lot on your plate. I'd ask you if you could provide to the committee by 9:00 a.m. tomorrow, the categories of problems with the 834s, because that's something that we're very interested in.

CAMPBELL:

If I'm able to provide that information, I will do so.

KINZINGER:

You wouldn't be able to provide that eventually, ma'am?

CAMPBELL:

I said if I'm able to provide that information.

KINZINGER:

Oh, I go you.

UPTON:

I promise the hearing will be over by then.

KINZINGER:

Yeah.

CAMPBELL:

Thank you.

KINZINGER:

With that, I thank you.

I have a minute left. I'm gonna yield to the gentleman from Ohio for a minute, Mr. Johnson.

JOHNSON:

I thank the gentleman for yielding. And this will give me a chance to sort of set the stage a little bit. I hold both a bachelor's and a master's degree in computer science, and I've worked for over 30 years in the I.T. industry,

And I've implemented large-scale systems like this, both within the military, within the Department of Defense. Some of those systems globally. Some of them affected national security. Some of them held the success and failure of multibillion dollar companies in the balance.

So I speak your language, and I've been where you are, sitting, trying to figure out what went terribly wrong in an implementation that has cost the American taxpayers over $400 million, and the cost is continuing to rise.

These are more than glitches. They can't be fixed.

I'm gonna explain why I believe they can't be fixed -- be fixed when -- when I get back. It can be replaced, at another large cost to the American taxpayer, but they can't be fixed. I'll explain that when I get back.

Mr. Chairman, I yield back.

UPTON:

Mr. Griffith?

GRIFFITH:

Mr. Chairman, thank you so much.

Ms. Campbell, can you tell me who made the decision that everybody from 27 to 49 when they go into the Web site would receive a price based on the 27-year-old's price?

CAMPBELL:

I don't have that information.

GRIFFITH:

And, likewise, the same would be true for the person who is from 50 up, who would receive the 50-year-old price. You don't have that information either?

CAMPBELL:

I do not, sir.

GRIFFITH:

Was that somebody at CMS?

CAMPBELL:

I would have to believe so.

GRIFFITH:

OK. And -- and, can you also tell me in regard to the changes that were required not to have the browsers so that people could browse and find out what was going on?

That -- that change that came in two weeks before, so that people couldn't just browse and take a look at it? That appears to me to just have been a political change.

And I know you can't make that statement, but let me ask you this: When that request came in from CMS, did you tell them that that was gonna cause difficulties with getting this exchange or getting this Web site launched by October 1?

CAMPBELL:

So, you know, for us, it's really a flag in our system. So we just turned the flag on, or turned it off, for that particular component.

(CROSSTALK)

GRIFFITH:

So you didn't think that was gonna cause any problems with the system?

CAMPBELL:

That's correct.

GRIFFITH:

OK.

And, Mr. Slavitt, if -- if I read your testimony, it says that you reported -- that you all did some testing and you reported back to CMS and the relevant contractor who was responsible for fixing the problems that you found. When did you finish that testing?

SLAVITT:

We would do the testing whenever the code was made available to us.

GRIFFITH:

OK. When was the last time that you did testing and then notified CMS and the relevant contractors that there were -- there were coding errors or necessary changes that needed to be made?

SLAVITT:

I believe that was all the way up toward the very end.

GRIFFITH:

OK. And do you know who you were working with on that?

SLAVITT:

I don't.

GRIFFITH:

And, can you find out for us?

SLAVITT:

We'll get right back to you.

GRIFFITH:

If you can get that to us, I'd appreciate it.

And, did you alert folks that if these problems weren't fixed there would be problems? Did you alert CMS that there would be problems with their Web site if they didn't get this fixed?

SLAVITT:

We alerted CMS to the results of the test.

GRIFFITH:

And, Ms. Campbell, do you know who told -- told you all to turn off the browsing option?

CAMPBELL:

I believe it was Henry Chou (ph) and members of his team.

GRIFFITH:

And did they give you reasons for not making that option live? Or do I -- am I correct or am I fair, at least, to assume that it was a political decision?

CAMPBELL:

I can't answer whether it was political or otherwise.

GRIFFITH:

So you were not given any reason other than that?

CAMPBELL:

I was not given a reason.

GRIFFITH:

All right. And -- and -- OK. And, I appreciate that very much. Thank you very much.

I'm gonna yield the remainder of my time to my friend and colleague from Ohio, Mr. Johnson.

JOHNSON:

I thank the gentleman for yielding. Let me -- let me continue.

Here's -- here's why I believe this can't be fixed; it's got to be replaced.

This, from what I have seen, based on my experience, this is indicative of failure somewhere along the line to employ the discipline processes, methodologies, standards to deliver a system of this complexity.

In -- in layman's term, so the American people can understand how complicated this is, this might help a little bit. You know, you can't recook eggs. You go into a restaurant and you order two eggs over medium, and the server brings you out two eggs scrambled, you got two choices. You either eat the eggs that you've got, which means you don't get what you ordered, or you send them back and the restaurant owner eats the cost

of replacing those eggs. Somebody loses.

In this case, it's the American people that's losing, because what we have here is either the development team, of which you folks are a part, did not follow a disciplined methodology, and therefore you didn't see the red flags that were coming up, which calls into question your capabilities and qualifications, or you didn't notify anybody in CMS, as Ms. Campbell has stated, when you saw the red flags coming up, which calls into question your judgment,

The only other possibility is that CMS ignored your recommendations and moved forward with implementing a flawed system.

Folks, the eyes of the nation are watching and listening to what's being said here today. Some of you are publicly traded companies. I suspect every government agency and every commercial company that -- that you would do business with is watching what you say.

I suspect your shareholders and stock analysts are also watching it, what you say, because they're going to try to determine, is it your capabilities and qualifications that are at fault? Is it your judgment that's at fault? Or did CMS ignore your recommendations? And that's what we've got to get to the bottom of.

And, with that, I'll yield back.

(UNKNOWN)

The gentleman yields. My friend yielded.

JOHNSON:

And hopefully I'm comin' right back.

(UNKNOWN)

The gentleman is next in the queue. So he's coming right back.

JOHNSON:

All right, well, thank you.

Mr. Slavitt, you stated in your -- in your testimony that, and if I read -- if I read this correct, you -- your performance is based on trusted data sources, correct? For the hub?

SLAVITT:

The data services hub?

(CROSSTALK)

JOHNSON:

It's based on trusted data sources. You assume that data is trustworthy, correct?

Well, Ms. Campbell in her testimony stated that -- and if I go back to it, let me -- let me get back to it here, that as performance...

(UNKNOWN)

The gentleman didn't let him answer.

JOHNSON:

I didn't ask a question yet. This is my time. I haven't asked a question. But when I do, I'll let you know.

(UNKNOWN)

I heard it.

JOHNSON:

When Ms. Campbell testified that when performance issues like slow response times and data assurance issues arose, they would be addressed through fine tuning and optimization.

So were you aware that data assurance issues were -- were present? Did anybody tell you about that? Did CGI tell you that there were problems with data assurance issues?

SLAVITT:

I'm not sure what was intended by that statement.

JOHNSON:

So -- so CGI did not tell you that there were data assurance issues?

SLAVITT:

If -- if there are issues made aware to our team, our team addresses them discreetly and promptly.

JOHNSON:

Ms. Campbell did you tell the independent tester that there were data assurance issues that you were aware of?

CAMPBELL:

To put -- make sure we have it in context, when testing occurs, right, which QSSI...

(CROSSTALK)

JOHNSON:

I know how testing occurs. Did you...

(CROSSTALK)

JOHNSON:

It's a very simple question. Did your company...

(CROSSTALK)

CAMPBELL:

But I think you're taking it out of context.

Now that the system has gone live, just as one of the gentleman commented on, some of the errors that we're seeing on the 834s we're now making those corrections.

JOHNSON:

Are you the P.M. -- are you the P.M. for the contract for your contract?

CAMPBELL:

I am not the project manager.

JOHNSON:

So you do not interface directly every day with -- with CMS correct, on a daily basis...

(CROSSTALK)

JOHNSON:

... as the program manager...

(CROSSTALK)

CAMPBELL:

I am not. That is correct, I am not the project manager (ph).

JOHNSON:

Your contract required you to deliver your company -- to deliver a risk management plan. Have you delivered the risk management plan?

CAMPBELL:

We have.

JOHNSON:

Can you provide a copy it to this committee?

CAMPBELL:

With permission from CMS, yes, we can.

JOHNSON:

OK, well, we'll certainly be asking CMS for that as well.

The contract also required that you recommend standards and industry best practices and key performance indicators. Now, you've testified earlier that you didn't make any recommendations to CMS about the performance of the system, that it was totally CMS that made these decisions. But yet the contract requires that you recommend standards and key performance indicators to make sure that everything works right.

Did you just decide not to do that, or -- or what?

CAMPBELL:

So once again, for our portion of the system, we provided that information.

JOHNSON:

Well, it wasn't -- that's not what your contract says. Did you -- were you aware that you were supposed to be performing under the CMS's exchange lifecycle management?

CAMPBELL:

And we do.

JOHNSON:

OK, you do. And tell me about the pre-operational readiness review and what it requires.

CAMPBELL:

And so I'd have to give you -- I wouldn't want to go into detail here.

JOHNSON:

OK, well, let me go into detail for you. Here are some of the things that the -- that the pre-operational readiness review requires: integration testing results, end-to-end testing results.

Now you have testified that CMS was responsible for end-to-end, but clearly your contract requires you to provide to them end-to-end and integration testing results; test summary reports; an LOE estimate to achieve the operational readiness review. In other words, an estimate of what it was gonna take to fix those things that were found at the pre-operational readiness review. Do you know when the pre- operational readiness

review was supposed to be conducted?

CAMPBELL:

So to be clear the...

(CROSSTALK)

JOHNSON:

No, when was the pre-operational readiness review supposed to be conducted?

(CROSSTALK)

CAMPBELL:

... referring to is part of our system and our -- and our -- and our...

JOHNSON:

When was the pre-operational readiness review supposed to be conducted?

It's in your contract. Let me help you. It was 2/4/2012. The operational readiness review, which also included a letter of estimate to support operations and maintenance was supposed to be conducted in Q1 of 2013.

Mr. Slavitt did you participate in any of these reviews, the operational readiness review or the pre-operational readiness review?

SLAVITT:

Are you asking if I personally? No, I did not.

JOHNSON:

You did not. Did your company?

SLAVITT:

Our company participated in all the necessary reviews we committed....

(CROSSTALK)

JOHNSON; You said earlier that you were an independent tester. How can you be an independent tester when you are an integral developer of part of the system? How does that qualify you as independent?

SLAVITT:

We independently test code developed by other contractors.

JOHNSON:

OK, but other contractors that are interfacing with you?

SLAVITT:

Other contractors on the project.

JOHNSON:

Were either of...

(CROSSTALK)

WAXMAN (?):

(inaudible) order, Mr. Chairman.

UPTON (?):

Gentleman's time is expired.

JOHNSON:

Thank you, Chairman.

UPTON:

The gentleman from West Virginia, Mr. McKinley.

MCKINLEY:

Thank you, Mr. Chairman.

Several questions here, if I could, maybe, the two of you, Campbell and Slavitt.

UPTON (?):

Is your mike on?

MCKINLEY:

It's turned on.

Cold you explain to me first, Ms. Campbell you said that -- in your testimony, some three and a half hours ago that the system works but not at an acceptable pace. Is -- is the pace specified in the contract?

CAMPBELL:

It is not specified in the contract.

MCKINLEY:

So do you feel that you fulfilled your contractual obligations by October 1st?

CAMPBELL:

Absolutely.

MCKINLEY:

And do you believe that next week, Secretary Sebelius will concur that you have fulfilled your contractual obligations?

CAMPBELL:

I certainly hope she does.

MCKINLEY:

Do you think she will?

CAMPBELL:

I think she will.

MCKINLEY:

OK.

Do you know whether or not -- are you familiar with, either one of you, IV&V (ph) or V&V (ph)?

CAMPBELL:

Independent validation and verification?

MCKINLEY:

And verification, yes.

Do you know whether or not was -- was that to have been used in this process, this engineering development?

CAMPBELL:

I do not recall there being an IV&V (ph) contractor.

MCKINLEY:

OK, how about with -- with you, Mr. Slavitt?

SLAVITT:

I don't know.

MCKINLEY:

OK.

Do you think it would have been justified?

(CROSSTALK)

MCKINLEY:

In retrospect...

(CROSSTALK)

CAMPBELL:

At the start -- at the start of the program it probably -- it could not have hurt.

MCKINLEY:

OK.

Do you have -- do you have the developmental artifacts that would confirm your engineering solution that you developed in -- in developing your software?

CAMPBELL:

Yes, we do.

MCKINLEY:

Is that -- do you know contractually whether or not that will be available for an independent agency to review?

CAMPBELL:

I'd have to get -- that would have to go through CMS contracts organization for approval.

MCKINLEY:

OK. Did -- in the contract -- I've listened here a little bit (inaudible) after hearing so many questions being raised, is there an issue about -- strike that.

Go back to the -- how long did you have -- or in the specifications -- did they tell you, two weeks is all you -- that's all you have to have?

I come from the construction industry that is very specific about when you have to have substantial completion -- and completion (ph) on a project. Was there anything like that in this that said you must begin testing just two weeks before it's launched?

CAMPBELL:

No, there were -- there -- none of those specifications were in our original contract.

MCKINLEY:

OK, but I also heard, there were change orders.

CAMPBELL:

Correct, but there were...

(CROSSTALK)

MCKINLEY:

Was there ever a change that said, 'You shall begin testing two weeks prior'?

CAMPBELL:

No. And once again, you know, testing was not our ultimate responsibility. Testing of our code -- make sure I'm clear -- testing our code, our responsibility, but then it went through the CMS process for testing, independent testing done by QSSI, then CMS doing the integrated end-to-end testing.

MCKINLEY:

Were there -- if you feel that you achieved your objectives by October 1st, can you tell me whether or not there were anything about liquidated damages, if there are problems associated after October 1st that have to be corrected? Are there liquidated damages as part of your contract?

CAMPBELL:

You know, I'd have to get back to you on that. I don't recall -- if it's a standard FAR clause then it could very well be there as a standard FAR clause. I just don't know for sure. But being a cost-plus type contract, my -- now I'm stretching because I don't know for sure...

(CROSSTALK)

MCKINLEY:

I didn't think -- and again...

(CROSSTALK)

MCKINLEY:

... I have not had a chance to complete the review of it, but I didn't -- I thought it was a performance base with plus cost for incidental expenses. I didn't see it -- read it as being a cost- plus-based contract. Are you saying it's a cost-plus not performance- based contract?

CAMPBELL:

I believe it's a cost-plus contract. Cost-plus-fee type contract.

MCKINLEY:

Cost-plus fee.

CAMPBELL:

That's what I believe. But I'll get confirmation.

MCKINLEY:

Could you get back to...

(CROSSTALK)

MCKINLEY:

... that magic 9:00 hour tomorrow.

The -- the one thing, just in closing, that -- I'm a little surprised by the whole panel. We've heard all the disappointment, both sides of the aisle here, over this thing not being satisfactory at this point. I haven't heard one of you apologize to the American public in behalf of your -- your companies for problems that were associated with not having this thing ready.

Are -- are apologies not in order?

CAMPBELL:

So in my opening statement I said that CGI, as well as myself...

MCKINLEY:

Just a simple...

(CROSSTALK)

CAMPBELL:

... acknowledge -- we acknowledge...

MCKINLEY:

... "I'm sorry. I'm sorry that didn't -- we -- we tried, but there were changes made. We tried."

I just -- I've not heard the word, "I'm sorry." I know men have a hard time saying...

(LAUGHTER)

... but the whole panel, I haven't heard anyone say (inaudible) as a contractor, when we didn't finish a project on time we had to go to the owner and apologize and explain what happened.

MCKINLEY:

We're not ready here, and I don't understand why there's not an apology to the American public: "We're sorry that there were glitches. It was a very complicated project," as you said, "But I apologize." I haven't heard that from any one of the four of you.

UPTON:

The gentleman's time is expired.

(UNKNOWN)

Did we get an apology for shutting down the government -- because people didn't like the health care bill?

UPTON:

The chair would recognize the gentlelady from North Carolina, Mrs. Ellmers.

ELLMERS:

Thank you, Mr. Chairman. And thank you to our panel.

This has been a long process and I do appreciate you coming and meeting with the entire committee today.

And, you know, what I'm learning from this situation is I -- I do believe that -- that you all did your best to get this process in order. And I am hearing, repeatedly and repeatedly, that this -- the bottom line here is CMS is responsible for this failure.

And -- and, I just, you know, on behalf of your companies, you have the opportunity to throw them right under the bus, as far as I'm concerned. And we will get that information, I'm sure.

Ms. Campbell, I need to know -- the American people need to know -- how many people are enrolled? How many individuals are now enrolled in health care coverage from the website?

CAMPBELL:

So, I'm not able to provide that information.

ELLMERS:

You are not able or you do not have that information?

CAMPBELL:

I don't have it -- I don't have it with me, and...

ELLMERS:

OK.

CAMPBELL:

I'd have to have approval from CMS...

ELLMERS:

OK.

CAMPBELL:

To be able to provide that information.

ELLMERS:

Now, to that point, one, I'm going to ask you to please submit that by 9 a.m. tomorrow. But I do want to point something out -- and I understand where you're coming from.

I know you have a contract; I know CGI has a contract. All of you have had a contract with CMS.

But just understand, CMS is a government agency -- we oversee CMS. And CMS is the American people. So when we're talking about contracts here, that's really who we're talking about -- we are talking about the American people.

CMS is not a private company somewhere in the United States. They represent the American people and we've got to get to the bottom of these issues. So, yes, we do need those numbers by 9 a.m. -- 9 a.m. tomorrow.

Mr. Lau, on that, how many paper applications have been completed, up to this time?

LAU:

Somewhere between 3,000 and 4,000.

ELLMERS:

Three thousand and 4,000?

LAU:

Yes.

ELLMERS:

OK. To that point, now, the president on Monday in the Rose Garden gave a speech. And because of the -- the glitches -- I call them gaffes -- they're much bigger than glitches, I believe. Glitches are little hiccups and these are much more than hiccups.

He -- he referred to the 1-800 number and urged the American people to call the call center and to go through, you know, the hard copy process, essentially, or the paper process.

To that point, now, can -- Ms. Campbell, do you know that process? How -- what happens if someone calls the 1-800 number. Where -- where do they go, where are they directed and how does that process lay out?

And -- and I know you have to be brief because I do only have two minutes.

CAMPBELL:

Right. Actually, it's one -- it's a question that goes to Serco.

ELLMERS:

OK, that's...

CAMPBELL:

The 1-800...

ELLMERS:

That's fine. So -- so, you, to the best of your knowledge, you -- you -- you would not have knowledge of that at this point?

CAMPBELL:

No, not at -- once it's (inaudible)...

(CROSSTALK)

ELLMERS:

Once it becomes a paper or hardcopy.

CAMPBELL:

Correct.

ELLMERS:

Mr. Lau, what is the process?

LAU:

For paper -- for Serco (ph)? So...

ELLMERS:

If someone calls the 1-800 number and they...

LAU:

We don't operate the call center.

ELLMERS:

OK. But you...

LAU:

Someone else...

ELLMERS:

OK.

LAU:

The call center people, as I understand it, directly key enter the application to the extent people are willing to give that over the phone.

ELLMERS:

Where do they go from there? Are they going to the same portal system?

LAU:

Correct.

ELLMERS:

So, they are going to the same portals -- to the same failed portal system?

LAU:

It's the same portal system.

ELLMERS:

It is? So, what would be the average time, then, in -- now, I know you'd mentioned about 3,000 applications being completed up to this point.

So, there are -- there are individuals, my understanding would be, that have gone on to that site and they are still waiting to find out if they've been accepted or any -- any further information. Is that correct?

LAU:

I -- to which site? I don't...

ELLMERS:

Well, if someone called and there was a paper application in process -- or started; initiated...

LAU:

Right. I -- I only know roughly how it works. I'm not...

ELLMERS:

OK, sure.

LAU:

Familiar with the data on that. We don't really...

ELLMERS:

OK.

LAU:

Connect.

ELLMERS:

But...

LAU:

I can only answer for the...

ELLMERS:

To the best of your knowledge, because the portal system, which is the same portal system that this entire process goes through, and because it is experiencing the failures that it is, those individuals would -- to your best assumption, would be -- would be -- continue to be waiting?

LAU:

I'm not -- I'm not certain about that because...

ELLMERS:

OK.

LAU:

Once they're entered into the system, then it's system processing...

ELLMERS:

OK.

LAU:

To determine the length of time...

ELLMERS:

OK.

LAU:

Before which they would hear that (ph).

ELLMERS:

OK. But we can assume that since only 3,000 have been processed fully, that -- that it's a minimal number when -- when you think about (inaudible)...

LAU:

That are -- that are from the paper side, (inaudible).

ELLMERS:

OK, thank you.

And Ms. Campbell, I just want to touch on one last thing. I know you had said that you had gone through the process.

Did you actually complete yourself -- when you went through the process yourself individually, did you complete it?

CAMPBELL:

I did not.

ELLMERS:

You...

CAMPBELL:

I'm not signing up for insurance. My company provides insurance.

ELLMERS:

But you -- when you tested it yourself -- I mean, my understanding is you -- earlier, you said that you had actually tried it through the Virginia system; went to the website and that -- and that you did or did not complete it?

CAMPBELL:

I did not complete the application.

ELLMERS:

You did not. OK. Thank you. Thank you.

And I yield back the remainder of my time. Thank you.

UPTON:

The gentleman from Louisiana, Mr. Cassidy, is recognized.

CASSIDY:

Good news -- I'm the last one.

A couple things -- and I'll go quickly. I'll ask you to speak quickly, as well; I have only five minutes.

This has come up -- I did -- a little bit repetitious, but today, what have each of you been paid and what do you anticipate being paid further? It comes to mind, Miss Campbell, you mentioned the cost plus contracting.

So, to date and anticipated future payments -- what are they, please?

CAMPBELL:

So, to date, 112 million and for the -- for the year, I believe 196 million.

CASSIDY:

All right (ph).

CAMPBELL:

For the -- for this -- for this phase in the contract.

CASSIDY:

And the going forward, do you have any concept?

CAMPBELL:

The total TCV -- the total contract value with option years and -- and everything exercised would be 293 million.

CASSIDY:

The 196 million is total -- it includes the 112; is not in addition to the 112?

CAMPBELL:

It would be -- it's part of the 112, the 196.

CASSIDY:

Includes the 112?

CAMPBELL:

Yes.

CASSIDY:

Yes sir, Mr. Slavitt?

SLAVITT:

The data services contract has been funded to 85 -- about -- just under $85 million. That includes all the hardware and the software...

CASSIDY:

That's good (ph). And then how much do you anticipate going forward?

SLAVITT:

I don't believe that amount has been fully paid. I think that's -- that's what's been funded. I -- I would point out that we have contracts for work we do...

CASSIDY:

I've just got just a minute, man, I'm sorry.

Miss Spellecy?

SPELLECY; To date, we've received less than $2 million and what we will be paid in the future depends on the transactions that we receive from the hub.

CASSIDY:

OK (ph).

LAU:

For the first year contract with modifications is $200 million. To date, we've probably received about $30 million.

CASSIDY:

OK. Next, Ms. Campbell, in your previous testimony here today, you said you are not responsible for the front door. Here is your testimony from September the 10th.

You said your scope of activity was architecting and developing an FFM and then later, just immediately afterwards, you said that the FFM will serve as the front door. I'm not quite sure why today it's not a front door but on the 10th, it was.

CAMPBELL:

I know. It's -- it's -- it's a matter of interpretation. The -- when we first were trying to give a way to explain what our role would be, it's really the face of the -- of the application, so I said it's the front of the house.

But the front door of the house is where EIDM would take over.

CASSIDY:

And that's Mr. Slavitt?

CAMPBELL:

That's correct.

CASSIDY:

Now, also, in your previous testimony, I asked you -- I ask you -- Spanish was going to be part of the rollout for implementation. I ask if it's ready and would it be a seamless experience for a primary Spanish speaker?

You said for the online application, yes. There's reports today that the Spanish language websites are not up and it's unclear as when they will come up. Is that because the websites are not ready or because the administration has chosen not to take (ph) them online?

CAMPBELL:

CMS directs which components go live and when.

CASSIDY:

So, is the Spanish language website ready and if it were up, would it be functional?

CAMPBELL:

It would be.

CASSIDY:

OK. So, it's the CMS decision not to begin it.

CAMPBELL:

That's correct.

CASSIDY:

Mr. Slavitt, I gather you're the front door now. Would it be -- Mr. Shimkus asked why would someone who's 49-years-old being quoted a rate for someone who's 27 and why is someone who's 64 being quoted a rate for someone who's 50?

Clearly misleading -- so incredibly misleading. I'm a doctor, so I understand the difference in health care costs for the two. Would it be technologically difficult to ask users their date of birth to generate a more accurate estimate?

SLAVITT:

So, I'm -- I'm not sure that I even understand the phrase "front door" in this context.

CASSIDY:

But -- but just...

SLAVITT:

The user -- the user questions are not part of the IDM tool.

CASSIDY:

So, if you put in the DOB -- the date of birth -- is that technologically difficult to link that date of birth with actually what it would cost for a 50-year-old gentleman, as opposed to giving him the rates for a 27-year-old person?

SLAVITT:

That aspect of the site is not part of the IDM tool, so I wouldn't know the answer.

CASSIDY:

Is it part of your site, Miss Campbell?

CAMPBELL:

It is. It's part of my site.

CASSIDY:

And would it be technologically difficult to actually more accurately give what a quote would be?

CAMPBELL:

It would be -- it would be -- it would not be difficult to add date of birth.

CASSIDY:

And so -- and then to connect that with an actual rate as opposed to a disingenuous rate.

CAMPBELL:

So, it -- it would give a -- a better accounting; it would not give a complete accounting.

CASSIDY:

But a much better accounting -- a big difference between a 50-years-old and a 27-year-old.

CAMPBELL:

I -- I totally agree with you.

CASSIDY:

OK. Now everybody on this panel, at least the ones that were here on the 10th, just swore that this was all going to be ready, and yet now it appears that the administration had some idea that it was not going to be ready prior to its opening date. Let me ask, when the questions, when the problems became apparent, did the administration pose any pressure in any form for you not to be forthcoming regarding the magnitude of the problems?

CAMPBELL:

No.

SLAVITT:

No.

CASSIDY:

So, even though you had pointed out to me, Mr. Slavitt, that this might not be ready for prime time, and you just saw this kind of train wreck happening on the first, they never pushed back when you (inaudible).

SLAVITT:

We shared all the results of the testing that we did, so they were fully aware of those tests.

CASSIDY:

I yield back. Thank you.

UPTON:

Thank you.

Thank you, panel.

I would just, for the record, like to note for, particularly for CGI, and QSSI, the committee did send letters to both your companies on October 6th, asking for information about healthcare.gov's problems, and that deadline for the letter response was October 23rd.

So members, I know, have asked a number of follow-up questions. I understand it may not be at 9 o'clock tomorrow, but if you could get that done as quickly as possible, particularly in light, knowing that we have Secretary Sebelius going to testify next week, we'd like to have that information in hand so we can be prepared for that.

I appreciate your testimony, and you are now excused.

CQ Transcriptions, Oct. 24, 2013

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REP. PETER WELCH, D-VT.

REP. JOHN YARMUTH, D-KY.

WITNESSES:

CHERYL CAMPBELL, SENIOR VICE PRESIDENT, CGI FEDERAL

ANDREW SLAVITT, GROUP EXECUTIVE VICE PRESIDENT, OPTUM/QSSI

LYNN SPELLECY, CORPORATE COUNSEL, EQUIFAX WORKFORCE SOLUTIONS

JOHN LAU, PROGRAM DIRECTOR, SERCO